

The NATIONAL UNDERWRITER

Life Insurance Edition

INS. LAB.

B40
JAN 14 1938

Living Proof of an Ordinary Man's Extraordinary Success - - -



FOR truest financial success, for achievements unsurpassed in brilliance, look not only to men of vast wealth. Look also to ordinary men, of ordinary earnings, living ordinary lives, who discovered how to make modest savings create security for their families and themselves, through Ordinary Life Insurance.

In 1938, Northwestern Mutual's national magazine advertising will show how Ordinary Life insurance, arranged in a carefully-planned program, is indeed an EXTRAORDINARY Life Plan.

This campaign depicts typical scenes of every-day living. It suggests how to plan a program to provide for a family's money needs, should death stop earnings, and to create old-age retirement income — all through the EXTRAORDINARY Life Plan.

To make that advertising an efficient, workable tool, Northwestern Mutual agents enjoy a full equipment of effective selling aids and promotional

material — all smoothly co-ordinated, designed to achieve one objective: more high quality business.



THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY

FRIDAY, JANUARY 14, 1938

AN ANCHOR

in a
troubled world

Men learn from experience. Year after year during the depression they saw a striking demonstration of the safety of life insurance. No wonder that when money again began to flow, more and more of it was used for life insurance. In 1937, life insurance in force in the United States increased over 5 Billion Dollars, to an all-time record total of 110 Billions. As in past years, Public faith in life insurance is at a new high. In the next few weeks,

the forthcoming annual statements of the life companies will again prove that this faith is justified — that no financial institution is safer than a good life insurance company. As in past years, NWNL's Financial Statement is the first to be published. As in past years, it again shows that no life insurance company is stronger or safer than Northwestern National Life of Minneapolis.

53rd ANNUAL FINANCIAL STATEMENT

December 31, 1937

RESOURCES

Cash.....	(4.2%)	\$ 2,744,919
U. S. Government Securities.....	(23.0%)	14,944,691
Bonds Fully Guaranteed by the U. S.	(7.1%)	4,640,672
Canadian Government Securities.....	(.7%)	444,553
Other Bonds:		
State, County, and Municipal.....	(5.7%)	3,659,491
Railroad Mortgage Bonds.....	(6.9%)	4,468,911
Railroad Equipments.....	(2.4%)	1,553,395
Public Utility.....	(18.5%)	12,014,080
Industrial.....	(1.4%)	884,549
Miscellaneous.....	(.4%)	249,517
First Mortgage Loans:		
Farm Loans.....	(1.4%)	872,391
City Loans.....	(5.4%)	3,506,402
Policy Loans.....	(14.4%)	9,358,072
Real Estate (Including Home Office Building).....	(4.4%)	2,884,193
Real Estate Sold Under Contract.....	(.1%)	89,898
Premiums, Due and Deferred.....	(3.0%)	1,948,498
Interest Due and Accrued and Other Assets.....	(1.0%)	633,863
TOTAL.....	(100%)	\$64,898,095

LIABILITIES

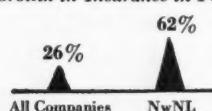
Reserve on Policies.....	\$50,455,202
Death Claims Due and Unpaid.....	None
Claims Reported but Proofs not Received.....	113,199
Reserve for Claims Unreported.....	75,000
Present Value of Death, Disability, and other Claims Payable in Instalments.....	3,104,089
Premiums and Interest Paid in Advance.....	344,279
Reserve for Taxes Payable in 1938.....	312,146
Profits for Distribution to Policyholders.....	2,413,093
Asset Fluctuation and Other Reserves.....	2,533,773
Surplus Funds and Capital:	
Voluntary Contingency Reserves.....	\$2,228,522
General Surplus.....	2,218,792
Paid-in Capital.....	1,100,000 5,547,314
TOTAL.....	\$64,898,095

Insurance in Force \$418,536,825

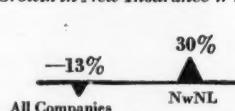
THE TEN YEAR RECORD

Comparing NWNL's notable record during the past decade (1927-37) with the unusually fine combined record of all life insurance companies in the United States. 1937 figures for all companies are as estimated by the Association of Life Insurance Presidents.

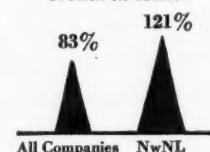
Growth in Insurance in Force



Growth in New Insurance Written



Growth in Assets



NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY

STRONG

O. J. ARNOLD, President
MINNEAPOLIS, MINNESOTA

LIBERAL

Governor Urges Savings Bank Life Insurance in N. Y.

Supported as Social Security Measure, New Bill Is Likely to Become Law

NEW YORK—Governor Lehman's wholehearted endorsement of savings bank life insurance in his annual message to the New York legislature has given powerful impetus to the movement. Even among those most opposed to it the bill which has just been introduced permitting savings banks to set up insurance departments is regarded as having a very good chance of passage. For several years a similar bill has been offered at each session but always died in committee.

One reason why previous bills never got anywhere was that the savings banks themselves were definitely opposed to them. This opposition is not nearly so strong as it was. The proposed law is only permissive anyway and no bank opposed to going into the life insurance business would be forced to do so. On the other hand, new business has not been coming in as fast as the banks would like and the savings bank life insurance idea's most appealing sales argument to the banks is that it brings in new business. Then, too, espoused by the governor as a social welfare measure makes opposition by banks a delicate matter.

Linked to Social Security

Governor Lehman's message leaves no doubt as to where he stands on savings bank life insurance. Linking the plan with economic security measures such as workmen's compensation law, the old age pension law, the unemployment insurance law, the minimum wage act and the social security act, Governor Lehman pointed out that all these required the initiative of governmental action.

"The Massachusetts system of savings bank life insurance provides dependable life insurance and annuities at low cost," Governor Lehman stated. "The experience in that state proves conclusively that the cost of ordinary life insurance sold by the savings banks is lower than that of ordinary life insurance sold by private companies. A comparison of the cost of savings bank insurance and private industrial insurance is even more advantageous to the savings banks. In addition, the terms of the savings bank insurance policies are in general more favorable to the policyholders than those of the private insurance companies.

Sees Taxes Eased

"Our low-paid wage earners do not wish to become objects of public aid. I am firmly convinced that they would gladly avail themselves of the benefits of life insurance if its cost were brought within their means. They should be en-

Option Changes Necessary to Offset Adverse Selection

The drastic reduction in interest rates made by savings banks in recent years has stimulated policyholders to take advantage of the extremely liberal settlement programs offered by life companies, said J. M. Laird, vice-president of the Connecticut General, in discussing the recent modifications in trust agreement plans.

The instalment payment plan to beneficiaries conserves the principal and gives the beneficiary an income over a period of years, which is the primary and best use of the settlement provision. In many cases the assured does not set up a trust agreement, but when he dies the beneficiary may voluntarily select the settlement option instead of a lump sum. Over half the amount left in 1937 with the Connecticut General was left by the beneficiary in exercising this right. In some cases the beneficiary simply makes a temporary deposit, withdrawing all or a substantial part of the money when better investment opportunities are available. While prices are low she can enjoy the guarantee of principal and interest at 3½ percent until the security prices are more favorable. She thus makes a substantial profit for herself at the expense of the company. This right to withdraw the entire amount permits adverse selection against the company on account of investment conditions.

Long Term Plan Acceptable

Companies are willing to accept the responsibility of paying the money on a monthly instalment plan on the long pull basis but they feel that they should be protected against an undue use of the withdrawal privilege until a time when investment conditions have shifted and the market value of high grade bonds is materially lower, said Mr. Laird.

couraged to avail themselves of this method of self-aid. To the extent that our lowest paid workers purchase life insurance, the public relief burden of the general taxpayer will be proportionately reduced.

"I recommend that you give consideration to the adoption of a law empowering the mutual savings banks of this state to establish insurance departments under public supervision. The establishment of such a plan would not injure private insurance companies any more than it has in Massachusetts."

Commends Social Value

Governor Lehman pointed out that while the business of life insurance is rarely related in popular thinking to the general problem of economic security, yet wherever life insurance exists, in whatever form it is carried, it relieves the taxpayer of the burden of caring for the otherwise needy insured or his dependents.

"This important economic factor should not be overlooked," he pointed out. "At a time when the burden of taxation rests heavily upon the citizens, life insurance deserves the same pub-

On the mortality side if the insured sets up a trust agreement by which an annuity option automatically begins at his death, there is no mortality selection against the company. However, if the contract is left wide open and the beneficiary chooses the annuity option, it is unlikely that she will do so if she is in poor health. If after the death of the assured the beneficiary leaves the money on deposit with privilege of withdrawal and the future privilege of shifting to the annuity option at any time, the selection against the company is intensified. If these options are extended to a contingent beneficiary and therefore to a later generation, opportunity for selection against the company is still further increased, said Mr. Laird.

Project Into Future

There has been a tendency to project trust agreements farther and farther into the future and to set up complicated programs for the second and third generation. On the whole the agents have kept their requests within reasonable bounds. However, one company made a record settlement endorsement covering 10 feet, four inches wide of paper, said Mr. Laird. These extreme requests not only impose an unnecessary burden on the home office, but also use up the agent's time and may eventually lead to misunderstanding on the part of the policyholder or some beneficiary.

All the companies agree that some limit should be set on settlement options although there is naturally some difference of opinion as there are so many ramifications.

The changes being made tend to safeguard the company against too many withdrawals at an inopportune time, too much leeway in shifting to annuity options and unduly complicated or prolonged agreements, said Mr. Laird.

lic interest that has been given to the general problem of social insurance."

The savings bank life insurance bill, which is substantially similar to the Massachusetts law, faces a Democratic senate and a Republican assembly. Governor Lehman, a Democrat, is a popular figure and his recommendations carry much weight. It is regarded as highly unlikely that the savings bank life insurance bill will be made a political issue unless some developments should arise whereby either the Republican or Democratic party might feel it could gain a political advantage by making a party issue of it.

The social security question was made a political issue two years ago but that was more to be expected, since a disposition of public funds was involved. However, in the case of savings bank life insurance the only public funds involved would be the relatively trifling sum of \$25,000 which the bill calls for to defray the state's expenses in setting up the necessary machinery in the state insurance department.

Then, too, Governor Lehman's point that the wider use of insurance by those

(CONTINUED ON PAGE 12)

Most Agents Held Not Taxable by Revenue Bureau

Memorandum of Acting Commissioner of Great Inter- est to Life Companies

Life companies whose agency contracts and practices are similar to those of companies which have secured interpretation from the Internal Revenue Bureau that their ordinary agents on commission are independent contractors under the social security act, need not secure a formal ruling from the bureau, but may assume their agents are exempt from the tax.

This was the informal ruling contained in a memorandum from the bureau to Col. C. B. Robbins, manager and general counsel American Life Convention. The memorandum was signed by C. T. Russell, acting commissioner. In effect it is a "blanket" ruling, although the bureau under the law cannot issue a blanket interpretation.

Excerpts from Memorandum

"The bureau has recently issued several rulings holding that the general agents and soliciting agents of particular life insurance companies have such independence in their operations as not to constitute them employees of the companies for purposes of the taxes imposed under the social security act," Acting Commissioner Russell stated. "These rulings, together with such other rulings relative to the matter that have been made in the past with respect to particular cases, may be considered determinative of the status of agents of other insurance companies, provided the circumstances surrounding the performances by such agents do not differ in any material respect from those existing in the cases upon which the bureau has ruled.

"Accordingly, if the circumstances surrounding the performance of services by agents of any insurance company which has not yet received a ruling from the bureau in the matter, are such that another ruling heretofore issued is applicable to such agents, it will be unnecessary for the company to request a formal ruling on the status of its agents under the taxing provision of the act, provided the company is able to substantiate its conclusions if called upon to do so."

Gives Formula for Filings

Mr. Russell also announced a formula or set of detailed requirements for use by companies in submitting information about their agents and agency practices if they are in doubt whether the agents come within the scope of any previous social security decision, and desire a formal ruling.

Acting Commissioner Russell stated that his action was taken because the bureau has a great volume of work to do

(CONTINUED ON PAGE 12)

Investment Possibilities in Low Rental Housing Field Viewed by Pink

NEW YORK—Investment of life insurance funds in the low rental housing field has been endorsed by Superintendent Pink and the Metropolitan Life has offered to so invest \$100,000,000 if the New York legislature passes the governor's housing program. Although life companies have an abnormal amount of funds invested in real estate, Mr. Pink feels that low rental housing offers a non-speculative investment with a safety of return over a long period of years.

The Metropolitan Life is prepared to invest \$100,000,000 in low rental housing, Frederick H. Ecker, chairman of the board, announced in response to inquiries following Governor Lehman's message to the New York legislature.

"The Metropolitan Life has given consideration to Governor Lehman's proposal of low rental housing as a field for the investment of life insurance funds," Mr. Ecker said.

"Our own investigations have satisfied us that a definite shortage exists in suitable accommodations for families of modest incomes, which has been confirmed by Superintendent Pink. As a member of the state housing board, with a brief intermission since 1926, and now chairman of that body, and a member of the city housing board from 1934 to 1935, Superintendent Pink is recognized as an authority on the subject. The recent report of the national housing committee on 'The Housing Market' likewise supports this conclusion.

"There is now being made no adequate provision for this shortage. This company has had successful experience in the construction and management, over a period of years, of its notable project at Woodside, Long Island. It is our belief that there is an opportunity to provide safe and sanitary dwelling accommodations for persons of moderate income which will assist in relieving the emergency in the housing situation and be a factor in relieving unemployment; that economies inherent in continuous operation under comprehensive plans of a community character may not only be safely undertaken at this time but also sufficiently remunerative to justify the investment.

"This company is prepared to invest \$100,000,000 commencing as soon as such investment is authorized by passage of legislation recommended by the governor for which a bill has been drafted by the superintendent of insurance for introduction into the legislature."

PINK'S STATEMENT

"The offer of the Metropolitan Life to invest \$100,000,000 in low rental housing raises interesting questions involving life insurance investments and the housing field," said Mr. Pink in his preliminary legislative report. "The greatest difficulty that life companies have today is to find adequate investments for their funds. There has been considerable discussion of various ways of widening the field of investment. The suggestion which has perhaps been most talked about is to permit life companies to invest a portion of their assets in productive real estate. While this may be urged on the ground of necessity and also on the theory that there is safety in diversity, it would seem inadvisable to open the gates to such an extent.

Set High Standards

"The investment laws of New York, while severe, have proven most salutary and over a long period of time no life company domiciled in this state or authorized to do business in this state has

failed with any loss to policyholders. As a result of foreclosure the life companies now have on their hands an abnormal amount of real estate which they should liquidate as rapidly as they can without sacrifice. It is no time to permit the purchase of new real estate as a general policy. It would be better to tighten the belt by further reducing dividends, if necessary, rather than to embark in untried and speculative fields. We must at last be approaching the period when people will want to use money and will be willing to pay a reasonable return upon it."

Low rental housing differs from real estate in general and is subject neither to the sudden increases of value nor to declines which make such investment hazardous, said Mr. Pink. "While only government can clear slums there are many fields in which private capital can effectively cooperate. It is along this line that our life companies may find a

safe and socially useful outlet for their surplus funds."

"Employment is the country's greatest need and we may be able, to some extent, to build ourselves out of the depression as England has done. We are in splendid position to expedite construction for we are faced with housing shortage. There is no lack of space in the high-priced apartments. It is in the low rental field that there is so great a need for new construction and so great a demand for modern and habitable space. The greatest shortage of accommodations lay in the rental range between \$8 and \$15 a room per month. This is the rental range in which the Metropolitan dwellings will come. Private enterprise can function here with minimum public assistance.

"The first obligation of those who manage the companies and those who supervise them is to see that life insurance money is invested in the safest pos-

sible way. In low rental housing on a large scale, where adequate planning may be provided, there has been considerable experimentation. We know that investment in such housing is safe. There is no speculation in this kind of thing but there is safety of return over a long period of years.

"In contrast to the record of most real estate investments of recent years it is interesting to review the experience of limited dividend companies which have weathered the storm without a default in interest, with continued amortization of their mortgages, payment of satisfactory dividends, and with their capital structure unimpaired.

Good Interest Yield

"We have made sufficient progress to know that there is a great field for garden suburbs properly developed on modern lines and for model tenement projects in the cities. The City & Suburban Homes Company of New York was formed more than 40 years ago and has paid an average annual dividend of 4.65 percent for 41 years. In the past ten years 14 low rental limited dividend housing projects have been erected at a cost of \$30,000,000 by 11 different corporations under the New York state housing law. They have shown average annual earnings of 5.63 percent. Recently 19 large scale limited dividend projects have been financed under the rental housing program of the federal housing administration with mortgages in many cases supplied by our life companies. The New York Life, Pruden-

(CONTINUED ON PAGE 13)

Company Changes of Less Consequence Last Year

Company changes in 1937 involved less volume of insurance and less likelihood of loss to policyholders than in any recent year. In only two instances is there any possibility of a lien or loss to policyholders. There were 18 companies retired in 1937 while 14 new companies were incorporated and two changed their charters to a legal reserve basis.

The Guaranty Life of Iowa which was taken over by Occidental Life of California, was the largest company to be merged, having \$60,031,751 insurance in force as of Dec. 31, 1936. At that time it ranked 117th in size.

None of the reinsurance agreements, so far as can be ascertained, have any lien provisions. In the case of the Roman Standard of Manistee, Mich. a custodian was appointed and it is too early yet to surmise just what the eventual outcome may be. Liquidation proceedings are pending in the case of the Twin Cities Life of Dallas, and no figures are available as to the final results.

Limits Type of Risks

Of the 14 new companies the future of the Utah Cooperative Life, Salt Lake City, should be interesting. The company proposes to accept only total abstainers from alcohol, tobacco and narcotics.

The Royal Highlanders, a fraternal, changed to a mutual legal reserve company and the Lutheran Mutual Aid of Waverly, Ia., practically completed its reorganization as a mutual legal reserve company during the year. However, the change was not to be effective until 1938. The new name is Lutheran Mutual Life.

REINSURANCES AND MERGERS

American Annuity, Omaha, Neb., reinsurance in the American States Life of Lincoln, Neb.

American Security Mutual, Corpus Christi, Tex., reinsurance in Union Legal Reserve Mutual Life, Houston, Tex.

Builders Life, Chicago, reinsurance in the Service Life of Omaha.

Excelsior Mutual Life, Dallas, reinsurance in the Excelsior Life of Dallas.

Great Southwest Life, Oklahoma City, reinsurance in Old Line Life, Oklahoma City.

Great Western, Des Moines, reinsurance

in the Washington National, Evanston, Ill.

Guarantee Life, Troy, Ala., merged with All States Life, Montgomery, Ala.

Guaranty Life, Davenport, Ia., reinsurance in the Occidental Life of California.

Guaranty Old Line Life, Dallas, reinsurance in the Pyramid Life, Little Rock. Loyal Life, Boston, merged with Loyal Protective, its affiliate, as Loyal Protective Life.

Mutual Casualty, Chicago, reinsurance in its affiliate, the Alliance Life of Peoria, Ill.

National Old Line Life, Wichita, Kan., reinsurance in the Farmers & Bankers Life, Wichita.

Northwestern Union Life, Ottawa, Ill., reinsurance in the Illinois Bankers Life, Monmouth, Ill.

Pan-National Life of Oklahoma City, reinsurance in Republic Life of the same city.

Pioneer Mutual Life, Dallas, reinsurance in Pioneer American Life.

Republic Life, Dallas, reinsurance in Public National of Little Rock, Ark.

Union Legal Reserve Mutual Life, Houston, reinsurance in the Texas Mutual Reserve Life, Tyler, Tex.

Union States Life, Portland, Ore., reinsurance in the Provident Life, Bismarck, N. D.

CHANGE OF NAME

Colonial Life, Houston, to Southern Union Life & Casualty.

Columbia Catholic, Sioux City, Ia., to Columbia Mutual Life.

Progressive Life, Health & Accident, Philadelphia, Pa., to Progressive Life.

Reliable Life & Accident, St. Louis, to Reliable Life.

Republic Life, Dallas, to Republic National Life.

Security Plan, St. Paul, to Security National Life, and home office moved to Minneapolis.

NEW COMPANIES

Dixie Life & Accident, Little Rock, Ark.

Excelsior Life, Dallas. Paid-up capital, \$25,000.

Federal Old Line Life, Seattle, Wash. Incorporated January and licensed July, 1937.

Hoosier Farm Bureau, Indianapolis. Incorporated and licensed to write all forms of life insurance. Guarantee fund, \$40,000.

Producers Life, Dallas. Organized to write participating insurance only.

Santa Fe National Life, Oklahoma City. Chartered to write industrial life, health

and accident. Subscribed capital \$50,000; paid in capital, \$10,000.

Security Indemnity, Columbia, S. C. Incorporated to write life, sickness, accident and casualty. Authorized capital, \$10,000.

Southwest National Life, Oklahoma City, Okla. Authorized capital, \$50,000 with \$10,000 paid in.

State Life, Florence, S. C. Chartered to write life, health and accident insurance. Authorized capital, \$20,000.

Sunset Life, Olympia, Wash. Paid in capital, \$200,000; surplus, \$100,000.

Union Employes Life, Tacoma, Wash. Union Life, Montgomery, Ala. Licensed to write mutual and benefit and industrial insurance. Authorized capital, \$5,000.

United Life, Jackson, Miss. Chartered to write life insurance policies in amounts of \$100 to \$500. Paid in capital, \$25,000; surplus, \$25,000.

Utah Co-operative Life, Salt Lake City, Utah. Plans to take only total abstainers, both alcohol and tobacco.

MISCELLANEOUS

Acme Industrial Life, New Orleans, La., changed to full legal reserve basis.

Atlantic Life, Va. Controlling interest purchased by Bankers National Investment Co. of Wilmington, Del.

National Life of Canada, Toronto, Ont. Controlling interest purchased by H. R. Bain and R. Fennell, both of Toronto.

Pan - National Insurance Association, Oklahoma City, Okla., changed from mutual benefit association to stipulated premium. Subscribed capital, \$50,000, with \$10,000 paid in.

Reserve Loan Life, Indianapolis, Ind. Controlling stock interest purchased by Fidelity Insurance Co. of Atlantic City, N. J.

Roman Standard, Manistee, Mich. Custodian appointed.

Royal Highlanders, Lincoln, Neb. Changed from fraternal society to legal reserve old line company.

Trans-Mississippi Life, Kansas City, Mo. Controlling interest purchased by Business Men's Assurance of the same city.

Twin Cities Life, Dallas. Receivership proceedings started by insurance commissioner.

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Option Changes Cause Rumor of Shifts in Reserve Basis

No Intention of Changing Interest Assumption in Calculating Premium Rates Is Found

NEW YORK—Widely circulated rumors to the effect that a number of prominent eastern companies are planning to cut their reserve basis assumptions to 2½ percent are entirely without foundation, inquiries indicate. The reports, which are current mainly among financial men outside the life insurance field, are believed to be due to discussion of lowering the guaranteed rate on deposits to less than 3 percent and the fact that one company, the New York Life, in bringing out new policy forms the beginning of this year provided for a guaranteed rate of 2 percent. Incidentally, it is understood that the New York Life will pay a 3 percent rate on claims arising on these new policies during the current year, the same rate which, on the older policies, is guaranteed and which is currently being paid on them.

A couple of years ago the advisability of changing to an interest assumption of less than 3 percent in calculating rate was generally discussed but the downward trend in interest rate did not become serious enough so that such a change was deemed advisable.

Different Situations Involved

There is a large difference between the interest assumption in a policy and the guaranteed rate of interest on policy proceeds. Several safety factors are present in the premium rate which are not in the proceeds left with the companies.

In the case of participating companies there is a mortality margin and an expense margin which would more than offset any conceivable decline in interest rates. Then there is the fact that the average life insurance policy does not continue in force for as long as might be the case with the funds held under settlement options. With the latter the companies, even with the new regulations that many are adopting, may be holding funds for long periods into the future and a rate guarantee today may be difficult to earn in the years to come.

Consequently, companies can take a wait-and-see attitude towards the necessity of reducing the interest assumption in calculating premium rate which would be unwise in the case of policy proceeds. If interest rates go even lower, it is likely that rather than drop the reserve basis to say 2½ percent, the companies would raise their loadings which would result in higher premiums and higher dividends. Without boosting reserves this would provide more of a safety valve in the way of dividends to take care of failure to earn interest rates assumed in calculating the premiums.

Acacia Mutual on 3 Percent Policy Reserve Basis

Security for life insurance is the prime consideration, President William Montgomery of the Acacia Mutual Life, stressed in announcing the Acacia's change to 3 percent. Interest yield has been increasingly lower and more uncertain, he said, and it is difficult to foretell what will be the interest trend of the future.

The Acacia officials, therefore, decided to take action similar to many other companies and strengthen the structure by the lower interest guaranty. This action results in higher policy values, as well as increased premium rates.

A. J. Farnsworth, general agent of Equitable Society in Boston, has been appointed chairman of the Massachusetts Civic League committee on the cause and cure of crime.

Called "One-Man Life Insurance Company"



GEORGE M. SELSER

George M. Selser, vice-president of the United States Life, is characterized by his associates as a one man life insurance company. He has an almost encyclopedic knowledge of the business, having gained experience in practically all departments.

In 1916, at the age of 16, he left high school to join the Manhattan Life home office. By 1924 he had become chief accountant and was supervisor of agents in New York City. Meantime he had attended the life insurance salesmanship course at New York University.

In 1927 he joined the newly organized Brooklyn National Life as cashier. Later he became assistant secretary and in 1935, secretary.

During those years he had a diversified

(CONTINUED ON PAGE 13)

Preliminary Life Statements

	New Paid Business	Change in Ins. in Force
Acacia Mutual Life	42,500,000	1936
American Bankers' Ill.	4,230,107	+20,000,000 +12,729,284
Atlantic Life	11,706,829	-500,427 -590,331
Bankers National Life, N. J.	17,127,028	+170,872 +1,677,234
Business Men's Assurance	24,614,189	-3,190,873* -5,068,522
Calif.-Western States (Ord.)	24,275,057	+9,684,027 +3,529,947
Calif.-Western States (Grp.)	675,000	+2,500,000 +5,726,312
Confederation Life	48,443,831 ²	+600,000 +372,944
Conn. General Life	205,206,160	+12,641,886 +11,434,821
Conservative Life, W. Va.	7,113,000	+70,807,032 +49,906,635
Conservative Life, Ind.	4,107,148	6,669,000 +1,031,000 +1,699,000
Continental Assurance	29,772,363	+208,170 +1,452,616
Equitable Life, Can.	3,500,000	+17,711,569 +13,875,274
Equitable Life, Iowa	51,735,000	+3,200,000 +17,067
Fidelity Mutual Life	27,186,994	+46,500,000 +7,370,000
Fidelity Union Life	4,547,608	+2,031,000 +1,743,387
Franklin Life	20,754,610	4,968,468 +422,431 +673,118 +562,052
Gen. American Life (Ord.)	12,115,900	19,509,119 +3,004,379 +1,316,302
Gen. American Life (Grp.)	13,378,270	+12,895,800 +15,851,118 +22,182,160
George Washington Life	3,361,231	+46,519,345 +370,530 +101,875
Great Northwest Life	3,657,000	2,809,127 +710,353 +9,190,167
Guardian Life, N. Y.	50,681,000	+2,125,000 +17,000,000 +9,582,240
Internat'l. Travelers, Texas	1,047,250	48,441,459 +559,259 +164,845
LaFayette Life	2,928,798	754,773 +1,150,686 +145,824
Lamar Life	8,947,071	2,176,568 +2,642,900 +2,601,943
Liberty Nat'l. Life	36,673,142	9,751,132 +2,642,900 +9,551,322
Lincoln National Life	152,441,845	33,938,574 +21,613,438
London Life	88,553,751	129,938,416 +52,683,718 +32,830,733 +24,411,152
Manhattan Life	11,092,497	6,076,118 +710,353 +4,888,102
Michigan Life	6,290,474	4,758,700 +1,531,774 +25,455
Midwest Life	4,250,789	3,019,838 +1,212,048 +238,630
Minn. Mutual Life	32,832,724	34,161,599 +8,995,988 +5,831,102
Monarch Life	3,587,285	3,248,158 +1,896,679 +1,422,553
Monumental Life	81,442,911	79,706,833 +24,861,701 +28,366,390
Natl. Life, Vt.	47,139,782	45,637,328 +14,174,100 +9,756,490
North American Life	11,000,000	9,685,733 +2,800,000 +1,616,232
North American Life, Can.	22,593,488	21,949,860 +9,087,916 +6,449,986
Northern Life, Can.	5,838,207	5,777,631 +1,683,884 +895,624
Northwestern National Life	73,823,541	70,127,825 +23,897,810 +16,100,410
Ohio National Life	24,107,547	21,734,454 +5,202,103 +1,787,146
Pan-American Life	23,896,208	18,987,316 +8,077,358 +158,441
Peoples Life, Ind.	7,321,853	9,154,063 +1,782,483 +2,822,621
Philadelphia Life	5,201,449	5,001,281 +724,759 +461,513
Phoenix Mutual Life	64,327,479	53,760,554 +34,200,000 +20,635,154
Provident Life & Acc.	17,709,350 ¹	18,141,248 +13,990,033 +19,405,854
Policyholders Nat'l.	3,334,699	3,613,262 +1,271,651 +1,288,439
Reliance Life	62,081,448	43,896,984 +33,160,378 +10,832,480
Reserve Loan Life	10,451,602	11,992,117 +115,403 +1,138,270
State Reserve Life	2,284,774	1,820,047 +1,135,388 +505,555
Teachers Ins. & Annuity	4,972,329	3,304,325 +3,659,732 +1,841,454
Union Mutual Life, Me.	8,185,609	7,150,013 +2,290,000 +163,759
United Life & Accident	4,282,504	3,854,714 +1,231,315 +400,496
Victory Mutual, Ill.	2,374,450	1,644,900 +817,389 +118,125
Volunteer State Life	8,636,689	10,336,131 +5,779,654 +7,878,566
Washington National	40,839,845	40,318,009

¹Includes reinstatements and increases except on group.

²Includes \$455,780.00 of reinsurance of Canadian business of U. S. Life.

³This figure will be adjusted slightly after valuation completed.

DEEPER AND DEEPER

An imposing tribute to legal reserve life insurance is the stupendous \$110,000,000,000 owned by 64 millions of policyholders. Virtually our entire population, approximately 128 millions, has an interest in these 110 billions, there being, of course, 64 millions of beneficiaries.

Legal reserve life insurance is the combined product of actuarial science and supervisory law. Actuarial calculations, based on never-changing mathematical principles, are the secure basis for life insurance reserves. Law, in force in every state of the Union, prescribes that such reserves shall be maintained—hence, "legal reserve." Without these two, and without able company managements, and the industry of skilled life insurance salesmen, this vast economic service could not exist.

Deeper and deeper grows our people's faith in the institution as scientific life insurance consequently draws nearer and nearer to universal adoption.

THE PENN MUTUAL LIFE INSURANCE CO.

WM. H. KINGSLY, President

Independence Square

PHILADELPHIA

Diabetes Death Rate Still Climbing, Survey Shows

MINNEAPOLIS—Diabetes will cause the death of more than 30,000 Americans in 1938, a 400 percent increase in mortality from this disease since 1900, the Northwestern National Life estimates on the basis of a general mortality study. The United States has more cases of diabetes and more deaths from this cause per 100,000 population than any other nation because diabetes is essentially a "prosperity" disease, the Northwestern National notes, flourishing in countries where living standards are highest.

Yet in America the disease is not confined to the rich and well-to-do, but death rate from diabetes among industrial policy holders is approximately the same as the national average. A growing proportion of American workmen live comparatively sedentary lives due to mechanization of industry.

American death rate from diabetes was 9.7 per 100,000 of population in 1900, but will be in excess of 23 per 100,000 in 1938. The death rate varies widely in the states but closely parallels per capita income.

Death rate from diabetes among young people has dropped rapidly since introduction of insulin treatments but continues to climb among older age groups.

Life-span of diabetics has been greatly lengthened by insulin treatment. Before discovery of insulin, 85 percent of young diabetics died in the first year of the disease. Now, many can live almost to a normal age expectancy and can lead useful lives.

Pearson Is Transferred

Charles M. H. Pearson, formerly assistant manager of the Atlanta office of the Travelers, has been transferred to Savannah as manager.

Country Life Stages Large Agency Gathering at Peoria

Sales Manager Mieher Tells of Progress in 1937—L. O. Schriver Gives Talk

By ROY W. LANDSTROM

The 500 agents of the Country Life who gathered in Peoria for the company's annual roundup, were treated to a well balanced program. Cooperation



D. C. MIEHER

was the theme. The Country Life is the life insurance company of the Illinois Agricultural Association. Also affiliated with this body are the Illinois Agricultural Mutual and the Farmers Mutual, writing fire, windstorm, hail and automobile. This close tieup with the Illinois Agricultural Association, according to many of the speakers, is responsible for the fine growth of the Country Life. Members of the farm bureau have been taught to patronize their own insurance institutions and the rapid growth of the Country Life is evidence that this principle has been closely followed, according to David C. Mieher, sales manager. In his opening remarks Mr. Mieher presented a preliminary statement of the company's progress during 1937. He pointed out that 1936 written business was \$31,919,000 while 1937 was \$36,600,000. Business in force at the end of 1936 was \$100,000,000 and at the end of 1937, \$115,000,000 a gain of \$15,000,000.

Must Know Objective

Mr. Mieher insisted that a successful agent must know his own objective and his own power and strength. He maintained that the average life insurance man does not use all his available powers and resources. He does not delve into his own ability and resources as deeply as he should. As one example he pointed to the present public recognition of the necessity for life insurance. This, he stated, is a very potent resource that should be used to the fullest possible extent.

A good part of the program was taken up by various officials of the Illinois Agricultural Association who stressed the cooperative idea and urged the agents to take full advantage of the strength of that association. The banquet was presided over by Mr. Mieher.

Schrivier Gives Talk

Lester O. Schriver, Aetna Life general agent at Peoria and former president of the National association, urged the development of "career men" in the life insurance business. He stressed the necessity for ethical conduct and in referring to twisting said: "That is not

Canada Sales Gain for 1937 Set at 4 to 5 Percent

TORONTO—New life insurance increased in Canada in 1937 from 4 to 5 percent, according to Superintendent Finlayson. Total sales, including fraternal, totaled about \$675,000,000 compared with \$649,000,000 in 1936. Business in force should be increased by about \$200,000,000 to \$6,900,000,000, the latter figure coming within \$100,000,000 of the peak figure reached in 1931.

Nearly Three Billion Paid by Insurers in 1937

B. D. Flynn, vice-president and actuary of the Travelers, estimates that the combined disbursements made by life, casualty and fire companies in this country last year amounted to about \$2,783,000,000. He observed that for every \$5 paid under policies insuring human beings, only \$1 was paid under policies insuring property. Less than 10 years ago, the ratio was two to one. He attributes the shift partly to the growth of life and accident insurance, partly to fluctuations in property values, partly to a reduction in the number of fires. Payments under automobile policies exceeded those under either personal accident or workmen's compensation contracts last year. Highway mishaps, he estimates, amounted to more than 35 percent of all casualty insurance benefits.

Farm Real Estate Men Elect

At the annual meeting of the Northwest Farm Real Estate Association in Minneapolis, Norman H. Nelson, manager investment department Minnesota Mutual Life, was elected chairman, succeeding Glenn Gullickson, Northwestern Mutual Life.

practicing life insurance but racketeering in life insurance." He maintained that life insurance is a great social compend which merges the individual into the mass and places behind the frailty of man standing alone the immeasurable strength of men standing together.

"We make progress in life only as we are in alignment with the best traditions of the past, conform to certain laws and adopt standard practices acquired through experience," said Mr. Schriver. A certain set of commandments must be rigorously followed if a man is to succeed as a life underwriter. These are to discover what life insurance is, what it does and learn all its functions.

Apply Program to Self

"You must apply the program of life insurance to your own program of life," he declared. An insurance program is an insured program of life. He queried the agents as to whether or not they presented their own program to their own clients. Prospecting is an essential factor in the technique of successful underwriting. It is necessary to find new prospects every day. Prospecting is problem planning. He showed the necessity for keeping adequate records and the necessity for setting a goal and sticking to it. "My quotient of success is inspiration, plus information, plus perspiration equals consummation," said Mr. Schriver.

Mr. Mieher introduced James F. Holdecker of Morris, Ill., who set a company record in December when he wrote \$126,500 on 15 lives, an average of \$8,400 per policyholder.

Golf clubs were presented on behalf of the agency body to Mr. Mieher, A. E. Richardson, manager of the Illinois Agricultural Mutual, and J. H. Kelker, manager of the Farmers Mutual.



"Home Office Helps" for Berkshire Agents includes a complete line of sales literature:

Direct by Mail Advertising—Proposal Forms—Illustrated Booklets—Folders—Blotters, etc.

Sales Literature—Written in an honest, forceful, simple and direct manner that adds that *Extra Pull*, often a *Big Help in Securing the Application*.

"Ask Any Berkshire Agent"

BERKSHIRE LIFE INSURANCE COMPANY

Incorporated 1851

Pittsfield, Mass.

Fred. H. Rhodes, President

Eighty-Seventh Year

Three Agency Directors Will Supervise the Field

Guarantee Mutual Life Announces Plans for the Closer Cultivation of Territory

A division of the territory into three sections, to be known as the eastern, central and western divisions, is announced by A. B. Olson, agency vice-president of the Guarantee Mutual Life of Omaha. They will be in charge of directors of agencies. Paul Stewart, who has been operating as a field supervisor over the major part of the territory, has been placed in charge of the eastern division, while Dwight E. Keider, supervisor for California, takes charge of the western division, which consists of California, Oregon, Washington, and Utah. Ralph E. Kiplinger, who has been general agent in central Nebraska for the past three years, has relinquished his agency and has been placed in charge of the central division.

Directors Are Successful

Mr. Stewart spent 8½ years with the Travelers, starting as a part-time agent and advancing to assistant manager of the St. Louis branch. Leaving the Travelers, he devoted three years to promotional and educational work with the John Yates Massachusetts Mutual agency at Detroit, after which he served as general agent for the National Life of Vermont at Minneapolis. Mr. Stewart has been with the Guarantee Mutual Life home office staff since Oct. 1, 1935.

Mr. Keider, after five years of service with the Travelers on the west coast as assistant manager and supervisor, and four years as general agent for the Pacific Mutual, has been California supervisor for the Guarantee Mutual Life since July 1, 1935.

Mr. Kiplinger was for 15 years distributor for one of the leading automobile firms in central and western Nebraska, and entered life insurance work with the Guarantee Mutual in 1935. In less than three years, he made an enviable record, both in production and agency organization work.

Mr. Olson announces that the company does not contemplate an enlargement of territory during the current year, but plans a more definite consolidation and a closer and more helpful

In Poorhouse, But Keeps Up Annuity Payments

Frank E. Jones of Sacramento, Cal., recently bought a five-star annuity from the Lincoln National Life to assure his retirement income—and now he's in the poorhouse. But not for the reason you think. Mr. Jones is in the poorhouse because his dietetic work as assistant chef at the Sacramento county hospital earned him the position as chief chef at the Sacramento county home for the aged.

Mr. Jones makes his premium deposits regularly because, as he told R. E. Beisant, his insurance adviser, "I don't want to remain in the poorhouse forever."

supervision of the agencies now operating. From its standpoint, the 1937 production of \$23,480,000 of net issued business, and a gain of \$7,000,000 in insurance in force for the year, needs only to be duplicated during 1938 in order to prove entirely satisfactory to the management.

Sue on Mathews' Bonds

LINCOLN, NEB.—Representatives of the Cosmopolitan Old Line Life, which is shortly to be wound up by court action, have brought suit in the federal court against the Employers Liability for \$15,000 and against the Fidelity & Deposit for \$20,000, on bonds written by them on President Jack Mathews. More than a year ago the district court held Mathews liable personally for acts of the management in handling of thrift certificate funds, and entered judgment against him for \$191,300.

Largest '37 Claim \$3,000,000

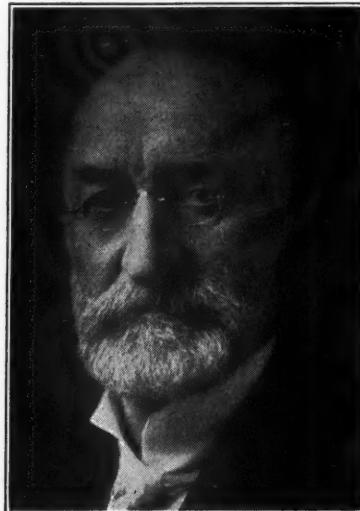
The largest life insurance claim paid during 1937 was \$2,999,000, the compilation department of THE NATIONAL UNDERWRITER finds on the basis of incomplete returns that are being tabulated for the annual Life Payments Localized Edition of this publication which appears in May. The largest claim during 1936 was for \$2,250,000. A preliminary survey indicates that the greater number of larger claims were paid during 1937 than during the previous year.

Mr. Cannon called the first business session to order. Beneficial Life paid for more than \$13,000,000 in 1937 and

Beneficial Life Has Annual Agency Rally in Santa Monica

Improving Quality Emphasized—150 Attend—Good Year's Record Is Reviewed

About 150 attended the annual agency convention in Santa Monica, Cal., of the Beneficial Life of Salt Lake City.



HEBER J. GRANT

"Improving the Quality of Business" was the theme. The importance of increasing the average sized policy was emphasized particularly.

Good Record in 1937

Home office executives in attendance included: Heber J. Grant, president; George J. Cannon, executive vice-president, who is a son-in-law of President Grant; Virgil H. Smith, secretary; E. P. Watkins, assistant secretary; W. M. Andersen, assistant secretary; Raymond M. Johnson, assistant secretary; Harry J. Syphus, superintendent of agents; Dr. W. R. Calderwood, medical director, and A. D. Boyle, attorney.

Mr. Cannon called the first business session to order. Beneficial Life paid for more than \$13,000,000 in 1937 and

increased its insurance in force by \$1,000,000 to a total of \$67,000,000.

Mr. Syphus, who was called in from the field two years ago to become superintendent of agents, has been making a record in agency building and has established a number of new general agencies.

Mr. Syphus emphasized as being essential in improving the quality of production, better selection of agency material; greater attention to the character and characteristics of applicants, and the sale of types of business that are known to show higher persistency.

Smith Exhibits Charts

Secretary Smith, in speaking on "Average Size of Policy," presented charts made from past records of agents, showing average policies produced by them over a period of years. He offered suggestions for increasing the averages and observed that a better profit could be returned if agents would produce a slightly higher average policy.

President Grant was the final speaker at the last business session. "Persistence of Effort" was his subject. He touched upon his own life. He said that he has always had to persist and keep on practicing to become efficient enough to accomplish the things that he wanted to do.

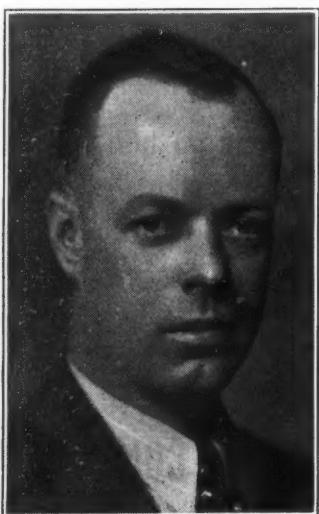
Mr. Grant was 62 years of age when he was elected to the presidency of the Mormon church. He is now 82 years of age. He spoke of the hardships of his early youth. His father died when he was nine days old. He told of practicing penmanship for years during his school days and later becoming a penmanship teacher. He also taught bookkeeping at the university. He worked for the Wells-Fargo Bank, the Zion Savings Bank and became prominent as a fire insurance agent. He expressed the belief that there is a great spiritual side to life insurance and it is the moral duty of every man to make proper provision for his family.

All delegates and their wives were guests of the company at the rose festival in Pasadena and were taken to the Rose Bowl football game. The guest speakers were John W. Yates, Los Angeles general agent for Massachusetts Mutual, and Frank Bland, Pacific Coast manager for THE NATIONAL UNDERWRITER.

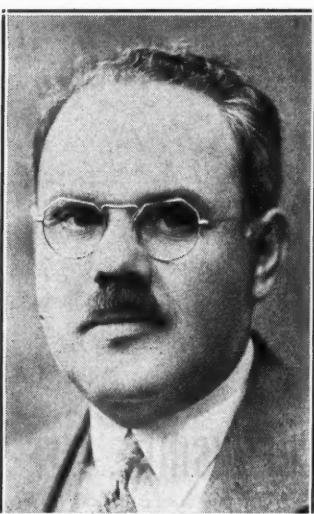
Launch Prospect Drive

The General American Life will open a special six weeks "1938 Prospect Drive" on Jan. 16.

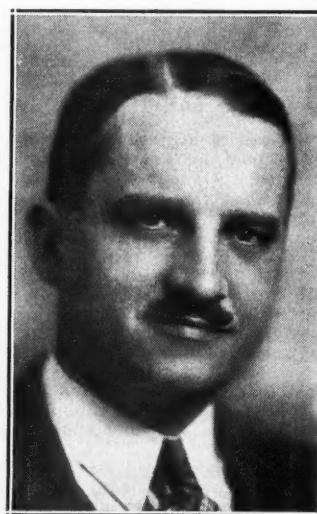
GREAT-WEST NAMES NEW MINNESOTA MANAGERS



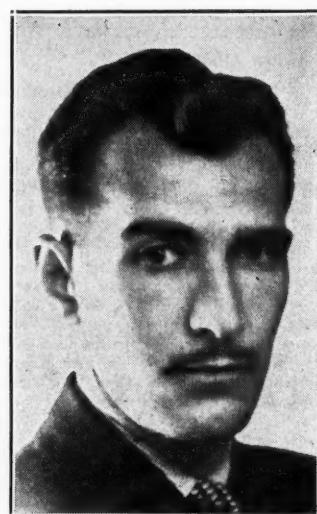
J. D. GRAHAM



ANTHONY FINBERG



M. I. LINDSAY



R. McCONDACH

The Great-West Life has appointed four branch managers to take charge of its newly organized Minnesota branch offices. J. D. Graham becomes manager

for Minneapolis with headquarters at 1110 Roanoke building. Anthony Finberg and M. I. Lindsay are St. Paul branch managers. Mr. Finberg with

offices at 1103 Pioneer Bldg. and Mr. Lindsay in charge of newly opened offices at 820 New York building. In addition to his activities in St. Paul, Mr.

Lindsay will supervise southern Minnesota. R. McCondach becomes branch manager for Duluth with offices at 21st Lyceum building.

Conservation Records Are Given Commendation

Jefferson Standard Life Brings to the Limelight Those Who Hold Business

The Jefferson Standard Life prides itself on its conservation program, the work being in charge of Assistant Secretary Karl Ljung. It maintained its



KARL LJUNG

good record in renewal of first and second year policies last year, resulting in a \$23,000,000 net gain in insurance in force, with \$371,000,000 now on the books. W. L. Brooks, manager at Charlotte, N. C., is president of the 1938 Julian Price Club. He had a 100 percent renewal record on \$608,000 of business coming up. There were 149 agents that earned membership in the club. Membership requires a large volume of paid business, plus a first and second year persistency ratio of not less than 75 percent.

Some Good Records Given

Albert Lee Smith, manager at Birmingham, and E. Fred Smock, manager at Huntington, and W. R. Ogle of the Birmingham agency had 100 percent renewal records. Ray S. Peters, manager at Denver, completed his tenth consecutive year of membership and was awarded a lifetime certificate, this honor having been earned in the past by only eight other agents. Mrs. Alma W. Crosby of the Houston agency, N. W. Carr, Memphis, and F. L. Hargis, manager at San Angelo, Tex., completed five consecutive years of membership.

A number of fine conservation records were made by branch offices. Birmingham led with a record of 87 percent and it therefore was awarded the conservation cup. Albert Lee Smith is general agent and Carl H. Green, cashier.

Runner-Up Agencies

The Houston agency, headed by Horace Russel Smith as manager, and Hale Newlin, cashier, was in second place. Raleigh, N. C., came in third. C. D. Egerton and J. W. Umstead being managers. Carlyle Wootten is cashier.

Branch offices having a first and second year renewal rate of at least 75 percent are distinguished by being called "Julian Price Agencies." Each office is awarded a handsome bronze plaque as a symbol of service to policyholders, and the cashiers receive a large cash prize. Twenty offices earned the distinction in 1937. These were: Birmingham, Houston, Raleigh, N. C.; Goldsboro, N. C.; San Francisco, Maryland Agency, Richmond, Washington, D. C.; El Paso, Fort Worth, Atlanta, San Juan, Puerto Rico; Dallas, Asheville, N. C.; New Or-

leans, Wichita Falls, Greensboro, N. C.; Nashville, Denver, Baltimore.

Favors Keeping Dental Record of Policyholders

The insurance committee of the American Dental Association has a committee that is endeavoring to gain recognition for dentistry by life, accident and health companies. The committee is advocating that these companies procure complete dental records of all policyholders, especially for the purpose of providing positive identification. Dr. M. D. Gibbs of Hot Springs, president Arkansas State Dental Association, treats the subject in an article in the December issue of "Oral Hygiene."

In accidental death, he observed, faces, bodies and limbs are often mutilated beyond recognition. With complete dental records such confusion would be almost impossible.

The records to be complete must deal with more than missing teeth and dental restoration, he states. They must have roentgen rays of the teeth and maxilla. Identification from dental records in the field of insurance presents a question worthy of much consideration, he declared.

193

C.L.U. NEWS

PHILADELPHIANS HEAR COLLINS

Basil S. Collins, vice-president Old Colony Trust Company, Boston, was the speaker at the meeting of the Philadelphia C. L. U. He is the founder and a past president Boston Life Insurance Trust Council.

BREIBY TALKS ON SELECTION

William Breiby, vice-president of the Pacific Mutual Life and former consulting actuary, spoke to the Los Angeles C. L. U.'s on "The Influence of Actuarial Science on Selection of Risks."

The Los Angeles C. L. U. chapter has been active in its educational program in preparation for the 1938 examinations. Forty-eight students are completing Part II under Dr. C. J. Rockwell and are now starting on Part I. Ten students under Dr. John C. Cledenin will complete Part III about Feb. 1. Then Part V will begin about March 1 and continue until the examinations in June. Part IV, under Gerry Eger, opened this month in the Edwards & Wildey building. Classes will be held weekly as follows: Parts I and II, Thursday; Part

III, Tuesday, and Part IV, Wednesday, the time being 4 to 5:30 p. m. each day.

NAME SAN FRANCISCO CHAIRMEN

Gerald F. McKenna, president San Francisco C. L. U. chapter, has announced the following committee chairmen: Educational, F. J. Van Stralen, Massachusetts Mutual; research and publicity, N. F. Davis, Jr., Guardian; program and entertainment, V. T. Motschenbacher, Sun Life; membership and attendance, L. M. White, Northwestern Mutual; cooperation with other professional groups, Clayton Elliott; cooperation with out-of-town C. L. U.'s, C. H. Linford, Travelers. The San Francisco chapter has 29 members.

PLAN RICHMOND STUDY GROUP

The Richmond, Va., C. L. U. chapter will sponsor a study group for those contemplating taking the examination in June. John B. Cary, Northwestern Mutual Life, is president of the chapter, and L. I. Held secretary.

Brucker Is Speaker

W. M. Brucker, vice-president and general counsel American Life of Detroit, addressed the public affairs forum at Western High School, Detroit, on "Is Democracy On Trial?"

AGE HAS SOMETHING . . .



One of a series—Giving facts about the Fidelity.



Age alone is not a conclusive guide to wise management. But age is one index to it which should not be overlooked. The institution which has weathered the storms of economic change over a long period of years has something that age alone will give.

Age is not a final criterion of successful organization but the institution which, after a long period of years, can point to a substantial group of men throughout its field, whose loyalty and devotion are conspicuous — such an institution has an asset which age alone can give.

Fidelity in December entered its sixtieth year proud of the credentials offered by its age — proud that the years have qualified it on both counts — successful management and loyal personnel. Under these conditions, age has something to offer, not the least of which are traditions which its workers go far to uphold. Good traditions in any institution inevitably attract the type of men who can appraise and evaluate their worth — and who will uphold them.

The Fidelity operates in thirty-seven states including New York and New England. It is the originator of the famous "Income for Life" plan. Disability income benefits of \$10.00 per thousand may be added to this popular plan.

The FIDELITY MUTUAL LIFE
INSURANCE COMPANY
PHILADELPHIA

WALTER LEMAR TALBOT, President

Important Legal Paper at the Chicago Lawyers Club

The importance of the recent case of American Life vs. Stewart in broadening the field of equity jurisdiction for contesting life insurance policies and a plea for considering reinstatement of a policy as a contract separate from the reinstated policy were the highlights of a paper delivered by A. S. Lytton of Bull, Lytton & Olson before the Chicago Life Insurance Lawyers Club.

Mr. Lytton pointed out that the courts are divided among three rules regarding the relation of the contestable clause of the life policy to the contract of reinstatement. The first is that if the period of contestability has expired prior to the lapse and reinstatement, the reinstatement may not be contested for fraud or misrepresentation in the application for reinstatement. The second, and probably the majority rule, is that the contestable period begins to run again with the reinstatement. Mr. Lytton declared this rule to be illogical, on the ground that most courts adhering to it also hold that other policy restrictions, such as the suicide clause, are not renewed by and cannot be injected into the reinstatement or into the reinstated policy. The third rule, which Mr. Lytton maintained to be the most logical, although frequently neglected by insurance attorneys and not followed by many authorities, is that the contract of reinstatement should be treated as independent of the contract of insurance and consequently not affected by the contestable provision of the insurance policy.

Reinstatement an Independent Contract

Much time, declared Mr. Lytton, has been wasted by judges and lawyers in trying to decide whether a reinstated contract is a new contract or an old one. The trouble is that few lawyers and fewer courts have taken the trouble to make any distinction between the contract whereby a reinstatement is accomplished and the contract as reinstated. Reinstatement itself is an agreement, with an offer and an acceptance, whereby, in consideration of certain representations and the payment of money, the insurance company agrees to return to life a contract of insurance.

Mr. Lytton pointed out that if the contract of reinstatement is regarded as separate from the contract of insurance, the companies can always raise the defense of fraud in the reinstatement. He criticized insurance companies and attorneys for their apparent willingness to accept other rules, citing a number of decisions upholding his principle and declared that there undoubtedly would be more such decisions if lawyers would be more insistent upon this view.

What Is "Adequate Remedy"?

The Stewart case, in Mr. Lytton's opinion, does not constitute anything fundamentally new in equity, but it indicates that the way to relief in equity is now open in many cases where life insurance companies and attorneys had considered the door barred. In this case, the policies involved were contestable for two years after date of issue. The assured died three months after the policies went into effect. With 18 months of contestability remaining, the company filed bills in equity to cancel the policies on account of fraud in the application. The United States district court held for the company, but the circuit court of appeals reversed the decision, on the ground that the company had an adequate remedy at law, since the assured had died within the contestable period and the company could interpose the defense of fraud in a suit by the beneficiary at law. The Supreme Court of the United States reversed the court of appeals, holding that the district court had equity jurisdiction and that, in a broad sense, the company did not have

an adequate remedy at law. Justice Cardozo in his opinion declared, "A remedy at law does not exclude one in equity unless it is equally prompt and certain, and in other ways efficient."

Significance of the Stewart case, according to Mr. Lytton, is that first, an equity suit to cancel need not be deferred until the period of contestability of the policy is about to expire; second, that if jurisdiction in equity exists when first invoked, it is not destroyed because a lawsuit may be started later and thus a legal defense become available to the company; third, that there is no absolute definition of "adequate remedy at law," and, fourth, that the determination of this last question must be largely within the discretionary powers of the court. The question of what constitutes an "adequate remedy" has never been tested strongly enough by life insurance lawyers and too many courts have taken it for granted that if the company has the right to assert defense whenever the beneficiary chooses to sue at law, this constitutes sufficient "adequate remedy at law" to bar relief in equity. The Stewart case, declared Mr. Lytton, shows that this contention may be defeated and should spur the companies to trying for relief in equity or by means of a declaratory judgment in cases where they have previously considered themselves helpless to do anything but wait until the beneficiary sues, which in many states might be a long time.

Forms of Incontestable Clause

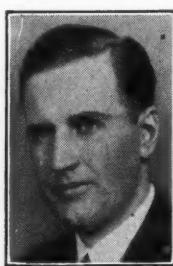
The policies involved in the Stewart case contain the old form of incontestable clause, providing that the policy should be incontestable after two years from date of its issue. Mr. Lytton pointed out that this case may be distinguished as not applying to the new form used in a number of states, which provides that the policy shall be "incontestable" after it shall have been in force for two years during the lifetime of the assured. However, he declared that the Supreme Court has left the door open to show under any circumstances that the remedy at law is not as prompt, certain and efficient as the equitable remedy and that it is the job of insurance attorneys to help the courts find sufficient special circumstances to warrant taking jurisdiction in equity.

The remarks of Mr. Lytton were limited to action following the death of the assured. Equity jurisdiction prior to death, he declared, is practically universally recognized.

American College Names Educational Advisers



J. P. WILLIAMS



B. E. WYATT

The American College of Life Underwriters has established an educational advisory department, to take special charge of the activities contemplated under the cooperative fund for underwriter education, recently contributed by life companies through the efforts of the Life Agency Officers Association. Prof. John P. Williams has been appointed as director of the new department, and Dr.

Birchard E. Wyatt has been named educational counselor.

The main purposes of the new department are to cooperate with university and college teachers, study group leaders, educational committees of C. L. U. chapters, life underwriter associations and educational leaders in the development and strengthening of instructional facilities for persons engaged in, or contemplating life underwriting as a career; to stimulate life underwriters, and others engaged in life insurance activities, to study for examinations offered by the college; to develop sound methods of educational procedure, and foster their use by candidates; and to assist individual candidates to find solutions to their educational problems.

Active in Business Education

Professor Williams has been professor of business administration at Davidson College, N. C., for 12 years. On a leave of absence during last fall he visited various educational institutions in the southern states and has been instrumental in organizing a number of new study groups among the underwriters in the larger centers. Prior to the assumption of his professorship at Davidson, Mr. Williams had 12 years of practical experience in business, including two years of life underwriting, thus giving him an unusual understanding of the practical problems facing business men. Almost from the inception of the C. L. U. program, Professor Williams has been deeply interested in the work of the American College, and is also a holder of the C. L. U. designation. For the past seven years, he has also conducted C. L. U. study groups at various North Carolina centers, in preparation for the C. L. U. examinations, and with extraordinary success.

Dr. Wyatt's Career

Dr. Wyatt received his M. B. A. degree from the graduate school of business administration of the University of Pennsylvania in 1932, majoring in insurance. Subsequently, in 1936, he received his doctor's degree from the school of business of Columbia University, again majoring in insurance and finance. From 1934 to 1936 he was connected with the group department of the Equitable Society, specializing in group annuities. After a year at the home office he became a group supervisor, first in Philadelphia and later in New York. Thereafter he was technical adviser to the bureau of old age insurance and to the social security board in Washington. Later he became acting chief technical adviser in the office of the actuary and has served in this capacity for the last eight months. Dr. Wyatt published a volume on "Private Group Retirement Plans" in 1936, and another volume (contributed jointly with Dr. W. H. Wandel) on "The Social Security Act in Operation."

O'Brien Addresses Club

ST. PAUL—C. L. O'Brien, underwriting officer Minnesota Mutual Life, was speaker at a dinner meeting of the Home Office Life Club. He discussed "The Underwriting Executive and the Scope of His Responsibilities." G. D. Babbitt, Modern Life, was chairman.

Ends Pacific Mutual Case

The Pacific Mutual Life case has come to an end so far as the California supreme court is concerned. That tribunal has now denied a petition of W. H. Neblett for a rehearing of the appeal, in connection with which the supreme court recently upheld approval of the rehabilitation of the company. He has given notice of appeal to the U. S. Supreme Court.

Dr. Nathaniel Benyas of Honolulu, medical referee of the Lincoln National Life in the Hawaiian Islands, was guest of honor at a luncheon given by President Arthur F. Hall, at the home office. Dr. Benyas stopped in Fort Wayne on his way back to Honolulu from Europe, where he has been doing post-graduate work for the past four months.

Million Dollar Producer Feted by Lounsbury



HARRY J. BAKER

Harry J. Baker, general agent in Boston for Bankers National Life, passed the million dollar production mark for 1937 early in December. He is the second Bankers National representative to achieve this record, the first being Mario R. Pesquera, general agent in Puerto Rico.

Mr. Baker was born in England, settled in Boston, and his first entry in the life insurance business was to represent Bankers National in 1929. He took hold quickly and sold himself and the company. He led the field in production, reaching his peak in 1937.

He does not write any jumbo cases, mostly 10's and 20's, and his average-size policy is about \$7,000. He specializes in selling to business and professional people mostly for needs and on an income basis. He made a million dollars in production his goal early in 1937.

Ralph R. Lounsbury, president of the company, presented Mr. Baker a traveling bag and he was entertained at a dinner given in his honor.

T. H. Young, formerly agency executive of Yeomen Mutual Life, is returning to Peoria, Ill., to be associated with an architect in a home building project. He was at one time an agency official of the old Peoria Life.

NEWS OF WEEK

Governor's support boosts chances of savings bank life insurance in New York. Page 1

Ordinary life agents on commission in effect get blanket ruling from Internal Revenue Bureau they are exempt from social security tax. Page 1

False rumors of changes in interest assumption traced to shifts in settlement options. Page 5

Investment possibilities in low rental housing field considered by Superintendent Pink of New York. Metropolitan Life offers to invest \$100,000,000 if enabling legislation is passed. Page 2

President James A. Fulton of the Home Life of New York will make a good will tour throughout the country honoring leading agents. Page 4

A. B. Olson, agency vice-president of *Guarantee Mutual Life*, announces three area directors to supervise its territory. Page 6

Some outstanding records were made along conservation lines by *Jefferson Standard Life* agents and offices last year. Page 7

Lester Johnson, formerly vice-president of *Continental Assurance*, has joined *American United Life* of Indianapolis as associate agency director. Page 4

Important home office promotions are announced by *Sun Life of Canada*. Page 18

Vance L. Bushnell is made second vice-president of the *Equitable Life* of New York. Page 18

LIFE SALES MEETINGS

Connecticut Mutual Confab

General Agents and Officials at Hollywood, Fla., for Annual Conference This Week

The 1938 conference of the general agents and home office officials of the Connecticut Mutual Life was held this week at Hollywood, Fla. The meeting opened Monday, under the chairmanship of John M. Fraser, general agent, New York City. A review of the progress made by the agency force in 1937 was given by Second Vice-President and Superintendent of Agencies Vincent B. Coffin; E. A. Starr, newly appointed manager of salary savings for the Connecticut Mutual, pointed out the great opportunity for business in this field and the plans which the company has for developing this phase of its business. The concluding speaker on the first day's program was President James Lee Loomis.

With Paul C. Sanborn, general agent at Boston, as chairman, the second day of the conference opened with a panel discussion on the training and development of new men. Those taking part in this panel were: Assistant Superintendent of Agencies Frederick O. Lyter, General Agents William L. Boyce, John M. Fraser, New York; James G. Hill, Nashville; R. Homa Houchin, Huntington, W. Va.; John A. Ramsay, Newark, and Everett F. White, Dallas. The day's session was concluded with a talk by Mr. Coffin on the sales plans and objectives of the company for 1938.

Figures at All Time High

A feature of all general agents conferences of the Connecticut Mutual is the president's dinner. At this dinner, President Loomis pointed out the highlights of the company's progress in 1937 and discussed the annual statement figures. Mr. Loomis brought out that the Connecticut Mutual now has the greatest amount of insurance in force in its history and that assets are at an all-time high. Insurance in force in the Connecticut Mutual now stands at approximately \$979,000,000 and assets at approximately \$310,000,000.

Chairman for the third day was Herbert C. Remien, general agent at Grand Rapids, and the program was opened with another panel discussion period, this one being on the subject of business of quality. Participating were: Second Vice-president Harold N. Chandler, Vice-president Harold F. Larkin, Second Vice-president and Associate Actuary Leslie R. Martin, Medical Director Charles B. Piper, and Secretary Henry H. Steiner. Paul C. Sanborn, general agent, Boston, closed the session with a talk, in which he pointed out that an agent must have incentives to really build prestige.

The final day of the conference the chairman was E. Dale Shepherd, general agent, Houston. The successful use of simplified programming in his agency at Pittsburgh was presented by General Agent Robert N. Waddell and he was followed by Second Vice-president Harold N. Chandler, who discussed the optional settlement service offered by the Connecticut Mutual.

Direct mail has been an important part of Connecticut Mutual field equipment during 1937 and the results, experiences and ways to use it more effectively were developed in a panel discussion on this subject. Contributing to this panel were: Assistant Superintendent of Agencies George F. B. Smith, General Agents Walter L. Blossom, Erie; G. Archie Helland, San Antonio; N. Baxter Maddox, Atlanta, and Everett F. White, Dallas.

Before the conference finally closed with an "au revoir" from General Agent Sidney B. Rosenbaum, Cleveland, Vice-president Peter M. Fraser gave a stimulating talk on "What's Ahead in 1938."

Equitable of Iowa's Meeting

Roundup of General Agents Held at the Home Office—R. G. Lauer, Williamsport, Pa., Top Salesman

DES MOINES—Seventy general agents of the Equitable Life of Iowa concluded a two-day annual convention.

R. G. Lauer, Williamsport, Pa., was honored as the high salesman for 1937, with more than \$2,500,000 new business. Speakers included President H. S. Nollen; F. W. Hubbell, vice-president and secretary, and R. G. Hunter, vice-president and actuary.

S. A. Swisher, Jr., superintendent of agencies, was in charge of the meeting. C. M. Vaughan, St. Louis, qualified as president of the organization club, and H. A. Hedges, of Kansas City, Mo., as vice-president. Mr. Hedges addressed a noon meeting of the Des Moines Life Underwriters Association at which the general agents were guests.

Discussions of various organization topics were given by R. E. Fuller, assist-

ant superintendent of agencies; E. E. Smith, agency secretary; G. V. Fort, Des Moines general agent; Hugh Bell, general agent of Seattle, Wash.; E. E. Bearg, home office supervisor; F. W. Osmundson, general agent of Mason City, Iowa; P. K. Adams, assistant superintendent of agencies, and Mr. Vaughan.

Mr. Nollen received congratulations on completion of 25 years with the company Jan. 10.

Great Northern in Conference

Honor Oklahoma Agency for 1937 Production—Explain Complete Protection Plan at Chicago Gathering

Fourteen members of the Oklahoma agency which led Great Northern Life in production in 1937 were honored at a meeting in Chicago by home office executives and 15 managers. President H. G. Royer presided and reviewed the discussion. Col. R. H. Carruth, Fidelity & Deposit, Chicago, spoke at the opening gathering.

The main objective of the meeting was to explain the Great Northern Life's new complete protection plan, which offers a combination of life and accident and

health protection. E. H. Ferguson, agency supervisor of the accident and health department, discussed the new program, pointing out its advantages to the agent. He explained the provisions in detail. A quiz period followed. E. P. Oertel, assistant to the vice-president in charge of the life department, told how to sell the new program to the public. Vice-president John Patterson discussed the activities of the monthly premium accident and health department. He said the monthly premium business should not be confused with industrial just because it is on the instalment plan, as it is really commercial business on a different payment form.

Twenty-Pay Plan Popular

In discussing underwriting cooperation, F. R. Thomas, chief life underwriter, explained the often neglected minor points which delay issuance of policies. J. A. Sullivan, vice-president in charge of the life department spoke of the past year's experience and told of the prospects for 1938. He urged that the year's activities be divided into months and that agents and managers endeavor to meet each monthly quota.

In discussing the complete protection plan it was pointed out that 75 percent of the business is being done on the 20-payment endowment at age 85 plan al-

MINNESOTA MUTUAL

shows another gain! The regular business for the first three quarters of 1937 is 8% ahead of the same period last year. This increase is reflected in the incomes of our field force.



WE OFFER:

1. A liberal agency contract.
2. A plan for financing your agency.
3. Accounting methods to guide you.
4. Proven plans for finding—training agents.
5. A liberal financing plan for your agents.
6. A unique supervisory system.
7. Organized Selling Plan.
8. Unusually effective selling equipment.
9. Policies for every purpose: Regular—Juvenile—Women—Group—Payroll Savings, etc.
10. Low Monthly Premiums.

A \$200,000,000.00 Mutual Company with \$40,000,000.00 in Assets, 57 years old with an understanding co-operative Home Office.

THE MINNESOTA MUTUAL LIFE INSURANCE COMPANY
SAINT PAUL, MINNESOTA

though the program is also offered in connection with ordinary endowment at age 85 and life expectancy policies.

In his talk on selling the new program Mr. Oertel said that the first 10 words uttered by a salesman are more important than the 20-minute discussion which may follow. In the interview the salesman either convinces the prospect that he needs the service he offers or the prospect convinces the salesman that he does not need it. The sale depends a good deal on the kind of enthusiasm the salesman has for his product said Mr. Oertel.

In interviewing the prospect the agent must consider if the prospect is a good one for him, whether or not he has need for the service and whether he can pay for it. Mr. Oertel urged the sale of a 30-payment policy instead of the endowment at age 85 on the ground that the cost is only increased \$73.80 on the 30-year plan while the cash value is increased \$181. Most agents are selling ordinary life so the 30-payment plan provides something different in the prospect's eyes.

Randolph Elected President

New England Mutual General Agents Gather — Smith Reports All-Time High Totals

Guy D. Randolph, Cincinnati, was elected president of the New England Mutual Life's General Agents Association at the annual meeting at Hollywood-by-the-Sea, Fla. E. B. Thurman, Chicago; A. W. Moore, Philadelphia; W. E. Hayes, Los Angeles, were named vice-presidents and F. M. See, St. Louis, secretary-treasurer.

President George Willard Smith reported the best year in the history of the company. A new record was set in new business with an increase in excess of \$9,000,000. Insurance in force increased more than \$78,000,000, making the total an all time high of \$1,500,000,000. Mortality for the year was four points better than in 1936. The average policy was higher and declinations lower than in previous years. In the past 10 years the assets of the New England Mutual have doubled from \$200,000,000 to \$400,000,000.

A new training course for agents was announced during the business program which was held on two days. The home office delegation consisted of President Smith, George L. Hunt, vice-president; Glover S. Hastings, superintendent of agencies; C. F. Collins, assistant superintendent of agencies, and Dr. H. M. Frost, medical director.

Federal Life Leaders to Meet

Production Club Qualifiers Enroute to Coronado Beach, Cal., Tour Along Pacific Coast

Production club qualifiers of the Federal Life are on their way to Coronado Beach, Cal., where members of the Federal Life Club and Inner Circle Club will meet Jan. 17. On the following two days the managers will confer on sales plans. The home office party and a group of agents left Chicago this week on the streamlined City of Portland and stops will be made en route to the coast to pick up various qualifiers. From Portland the party will travel down the Pacific Coast, visiting San Francisco, Los Angeles and San Diego and then Coronado Beach. Manager H. E. Witham of Portland will join the party there and Manager R. B. Oshier of San Francisco will join the party when it leaves there for Los Angeles. At Los Angeles Manager E. G. Choutau and his agents will be hosts at a special luncheon. A sight seeing trip to Agua Caliente, Mex., is planned.

President Isaac Miller Hamilton led the home office delegation, accompanied by L. D. Cavanaugh, executive vice-president, George Barmore, vice-president and superintendent of agencies; Spencer R. Keare, special home office representative, and J. Earle Miller, editor of the "Federal."

S. H. Birgel of Chicago is the new president of the Inner Circle Club and W. C. Hardgrove, Michigan, is president of the Federal Life Club.

The accident and health department has started a new 30 Point Club to reward consistent producers. Five weeks' consistent production is the qualification of membership.

Pacific National Has Roundup

President C. R. Marcusen in Charge of Three Days Activity in Salt Lake City

The annual three day agency convention of Pacific National Life of Salt Lake City was held in the head office city with agents on hand from the ten



CARL R. MARCUSEN

mountain and Pacific Coast states in which Pacific National operates.

Special guests at the reception and banquet included Governor Blood, Commissioner Neslen and Mayor Erwin.

President C. R. Marcusen was in general charge of the proceedings. He was the first speaker. Others on the program were J. Milton Olsen, Wyoming manager; J. E. Geertsen, Ogden, Utah; Dr. G. W. Middleton, medical director; K. W. Cring, Price, Utah; Reuben Anderson, Pine Bluffs, Wyo.; L. T. Ellsworth, Salt Lake City; E. H. Gamette, agency auditor; Nephi L. Morris, secretary.

Others were: R. W. Evans, Montana manager; C. G. Baker, Burly, Idaho; Othello Hickman, Logan, Utah; Ray H. Peterson, office manager; A. M. Jacobs, Provo, Utah; G. F. Hickman, Salt Lake City; J. W. Nixon, Idaho Falls; G. G. Ripley and W. E. Hibbard, Oregon manager.

Speakers at the final session were Ashby Thatcher; Glenn Holley, Springville, Utah; Gene Hickman, Salt Lake City, and L. B. Sylvester, Monte Vista, Colo.

One of the luncheons was designated as State of Washington Day with Ford E. Dunton, Washington manager, in charge. Another luncheon was designated as State of California Day with L. J. Muir, manager southern California, in charge.

J. Milton Olsen of Cheyenne, Wyo., was again the winner of the president's cup.

President Carl R. Marcusen of the Pacific National Life at Salt Lake City at the agency convention reported that the insurance in force has increased from \$10,424,274 to \$13,486,033. The total income was \$485,433, gain 13 percent. The assets are \$1,615,090, gain 8.7 percent. J. M. Olsen of Cheyenne, Wyo., now has the first million dollar agency, he having produced \$1,071,117

during the year. F. E. Dunton personally produced \$332,748, and J. M. Olsen, \$261,518. The new business last year was \$6,352,478, gain 31 percent.

Security Mutual Leaders at Nation's Capital for Meet

Two new policies were announced by the Security Mutual Life of New York at its annual agency conventions of its production clubs in Washington, D. C. The meeting celebrated the closing of the company's 50th anniversary. F. L. Mabie, superintendent of agencies, was in charge of the meeting, attended by 100 agents. Speakers included President Frederick D. Russell, W. B. Aten, medical director, F. R. Bruner, actuary, and B. N. Woodson and J. H. Jamison of the Sales Research Bureau.

It was announced that the next convention of the Security Mutual Club is to be held in Bermuda in May, 1939, the club year running from Nov. 1, 1937, to May 31, 1939. It will comprise a six day trip, including a day and a half stay on the island.

Announcement of new plans for agency progress, and sales talks was made at the business sessions. Careful attention was given to prospecting and sales problems. A special conference was held by general agents. President Russell entertained members of the Top Notchers Club at a luncheon. Entertainment features included a tour to nearby points in Virginia and a banquet. Details of new policies are given in "News About Life Policies" department.

Bankers Life Premier Club Holds New York Meeting

NEW YORK—Close to 200 attended the meeting here of the President's Premier Club of the Bankers Life of Iowa. Home office officials included G. S. Nollen, president; W. W. Jaeger, vice-president; E. M. McConney, vice-president and actuary; B. N. Mills, secretary; Dr. A. A. Johann, associate medical director; J. P. Lorentzen, general counsel; W. F. Winterble, director of agencies; M. W. Lewis, superintendent of agencies; Ben Williams, assistant superintendent of agencies, and John Grimes, agency secretary.

A regional club meeting is being held this week in Biloxi, Miss., and a third will be held at Phoenix, Ariz., next week. The eastern regional meeting was in Washington last week. The next President's Premier Club meeting will be in February, 1939, on the occasion of the California world fair opening.

Union Central Reports Gains at Havana Agency Meet

A substantial increase in business in force was reported by W. Howard Cox, president of the Union Central, at the annual convention of the \$250,000 and \$500,000 clubs at Havana, Cuba. Of the company's 79 agencies 49 showed increases in business in force in 1937, including most of the leading agencies, he said.

"The life insurance business has grown and will continue to grow," Mr. Cox said. "As a business it has moved like a gigantic war tank equipped with caterpillar treads across the economic chart, smoothing the peaks and valleys of a fluctuating business curve. Great opportunities are ahead of us in life insurance, and we are going forward together to get our share."

In discussing national trends, Mr. Cox said that if there is any change in our national form of government it would be toward fascism. He secured a report from a bank with foreign branches on life insurance in Germany and Italy and the life business is prospering there so there is nothing to fear from government trends.

The fundamental reason for the growth of life insurance is that its pol-

icy renders immediately available what the policyholder proposes to do for his family and his business if he lives, said Mr. Cox.

Nyhart Agency Finishes 14th in U. S.; Holds Meeting

The Indiana agency of the Connecticut General Life, of which H. E. Nyhart is manager, held its first meeting of the year at Peru. The agency finished 14th country-wide among all the company's agencies and had a 31 percent increase in paid volume and 25 percent increase in paid premiums over 1936.

Russell Dorr, head underwriter, accident department, represented the home office, reporting the company increased total accident premiums in 1937 nearly 20 percent and Indiana showed 2.05 percent increase in accident business and 59 percent increase in number of paid accident cases. He noted substantial trend toward purchase of large volumes of accident insurance by men and women in better income groups. In the Indiana agency there was a big increase in average size of accident sales.

N. K. Allison, manager Chicago agency, spoke on "Streamlined Selling." He said selling life insurance must be along lines approved by those with whom agents deal. Belief in new uses of life insurance by the agent to a large extent determines his fitness to use modern merchandising methods.

K. O. Stokes, R. C. Blessing, Joseph Stoner and Harold MacDaniel of the agency, spoke. Mr. Nyhart presided.

Union Mutual Managers to Meet in New York Jan. 20-22

The Union Mutual Life will hold its annual managers meeting at the Shelton hotel, New York City, Jan. 20-22. The banquet Jan. 21 will be addressed by Col. J. R. Kilpatrick, president Madison Square Garden Corporation, and E. C. Wolcott, sales manager Blue Valley Creamery Co. of Chicago. There will also be a program by professional entertainers. Guest speakers at the business session will include J. M. Holcombe, manager Life Insurance Sales Research Bureau, and John Jamison and Kenneth Miller of the bureau. Speakers from the home office will include President S. B. Phillips; R. E. Irish, second vice-president; Thomas Lehman, actuary, and H. J. Southern, assistant secretary.

Connecticut General Rally

The Wilkes-Barre office of the Connecticut General Life had a two-day conference. The program the first day included talks by E. E. Neill, manager, on the "Conference Theme"; "Work Habits" by T. P. Rice, assistant superintendent of agencies; "Underwriting" by C. C. Payson, home office underwriter; "Group Insurance" by L. E. Case, home office group department, and "Accident Insurance," by J. F. Crofoot, home office agency department.

The second day S. B. Reed, assistant manager of the Wilkes-Barre office, spoke on "Prospecting" and J. C. Foust and L. B. Sheerer, members of the agency force, gave sales demonstrations. Mr. Neill spoke on the agency's objectives.

Reuling & Williamson Rally

PEORIA, ILL.—The annual rally of the Reuling & Williamson Agency of Massachusetts Mutual Life was held here Monday. A business session was held in the morning. The luncheon was a gala affair with the wives attending. Prizes were awarded at that time. J. Hawley Wilson led the agency for the eleventh consecutive year. Frank Murphy of Champaign, was second, and Morris Landwirth, Peoria, third.

Including annuities the agency's '37 production was \$4,000,000. It stood in

seventh place among Massachusetts Mutual agencies.

The offices have just been remodeled and additional space has been taken. A reception is to be held soon. Nine members of the agency, or nearly 50 percent of the full time organization, possess the C. L. U. designation.

Agents' Meetings Planned

The general agents' national meeting of the Lincoln National Life will be held at the Edgewater Beach Hotel, Chicago, Feb. 14-15. Two regional meetings of agents will be held this year, one for the east and mid-west at Mackinac Island, July 13-14, and the other for western states at Del Coronado near San Diego, June 22-24.

Hold Regional Gathering

DETROIT—The first regional convention of northern Ohio and southern Michigan agencies of the Northwestern Mutual Life was held here with C. R. Eckert, Detroit general agent, as host and chairman at the morning session. W. R. Bryant, Kalamazoo general agent, presided in the afternoon and G. L. Stinson, Flint general agent, in the evening. Speakers were E. J. Fitzgerald, vice-president; Grant L. Hill, director of agencies; W. R. Chapman, assistant director of agencies, and Dr. D. E. W. Wenstrand, chief medical director.

North American L. & C. Meeting

MINNEAPOLIS.—Agents of the North American Life & Casualty from four states will attend a three-day convention here Jan. 25-27. About 140 representatives from Minnesota, Wisconsin and the two Dakotas have qualified.

L. J. Lynch, Minneapolis general agent John Hancock Mutual Life, will speak the opening day, which will be devoted to life insurance. At the health and accident session the second day the speaker will be E. H. Mueller, Pacific Mutual Life, Milwaukee. Paul Speicher, R. & R. Service, will speak the final day.

Celebrates Hughes Anniversary

MILWAUKEE—Oliver Thurman, vice-president of the Mutual Benefit Life, and H. G. Kenagy, superintendent of agencies, were in Milwaukee this week, to take part in the meeting of the state organization arranged by Frank C. Hughes, general agent here. The Milwaukee agency won the inter-agency contest and finished the year with a good volume record. The meeting also was the occasion of celebrating the twenty-fifth anniversary of Mr. Hughes' connection with the company. A number of general agents from nearby territory attended.

Regional Meeting to Repeat

KANSAS CITY—The second annual central west regional meeting of Northwestern Mutual Life agents, which Sam Pearson, general agent of the company here, originated last year, will be held Feb. 14-15 at the Coronado hotel, St. Louis. Mr. Pearson will act as general chairman, and the Clarence Poindexter agency at St. Louis as host. Approximately 250 agents from 13 midwestern agencies are expected to attend. The agencies are Kansas City, Mo., Kansas City, Kan., Wichita, Tulsa, Oklahoma City, Cedar Rapids, Des Moines, Omaha, Peoria, Springfield, Ill., Louisville, St. Louis and Glasgow, Ky.

Paul Speicher and Alden Palmer of the R. & R. are the outside speakers. Warren Lundgren, assistant director of agencies, will have charge of the district agents' sessions, and Ralph W. Emerson, agency supervisor of the Poindexter agency at St. Louis, will have charge of the panel discussion the afternoon of Feb. 14.

The meeting is not a company but an agents' affair.

Hold District Meeting

OSHKOSH—Northwestern Mutual Life agents in the east-central Wisconsin territory attended the annual meeting of the Cameron & Carroll general

agency here on Monday. W. R. Chapman, assistant director of agencies at the home office in Milwaukee, directed the sales clinic. Leading producers in the territory participated in the discussions. Edmund Fitzgerald, company vice-president, was the principal speaker at the dinner and explained the company's program for the coming year.

Four Miami Conventions

Miami, Fla., is a popular convention spot. The Equitable Society is holding an agency meeting there Jan. 9-16; Acacia Mutual Life Jan. 20-22, the Ohio National Life March 6-10, and the Philadelphia Life March 17-19.

The Connecticut Mutual Life general agents are holding a conference in Hollywood, Fla., this week.

Oklahoma City Meets

A number of Oklahoma agency meetings are scheduled in connection with the sales congress Jan. 28 of the Oklahoma City Association of Life Underwriters. The Mid-Continent Life of Oklahoma City will hold a conference Jan. 28-29. Those in attendance will attend the sales congress on the first day and a company agency meeting on the second. R. E. Leonard, agency director, will conduct the meeting, and President R. T. Stuart will be key speaker at the banquet.

The Northwestern Mutual Life will hold a state meeting on the day following the congress.

Hold School in Columbus

The Northwestern Mutual Life will hold a life insurance school in Columbus, O., Jan. 17-21. The course will cover the fundamentals of life insurance and salesmanship.

Joint Conference at Wausau

Agents of the Old Line Life under M. T. Canfield, general agent at Antigo, Wis., and J. A. Phillipi at Wausau, Wis., attended a joint sales conference at Wausau. Paul A. Parker, superintendent of agencies, and F. J. Chandler, assistant superintendent, attended from the home office in Milwaukee. The new rate book was explained and the new sales manual presented to the field force.

Northern California Meet

SAN FRANCISCO—Northern California agents of the Fidelity Mutual Life under J. M. Mitchell, assistant California manager, attended a one-day agency meeting and sales discussion here. W. J. Arnette, California manager with headquarters in Los Angeles, was present.

Hecht Entertains Agents

W. H. Hecht, general agent Ohio State Life, Celina, O., entertained the members of his agency at a meeting at Grand Lake. The home office was represented by Frank L. Barnes, agency vice-president, and C. E. Herron, associate medical director.

Mutual Benefit's Denver Meeting

Colorado and Wyoming agents of the Mutual Benefit Life met in Denver for a one-day convention. W. D. Wilkins of Pueblo was toastmaster at a dinner for agents and their wives. Rev. Wilson P. Ard of Denver was the speaker.

Use Selling Tactics

Sales managers sometimes do not apply selling tactics in getting their men to use new ideas. They urge their men to use a psychological sales approach, such as uncovering a need and then showing the prospect how to solve it, but instead of following the same principle the sales manager often tries to force a new sales plan down his salesman's throat.

The "you are lazy, this will get you to work" implication behind the launching of time control plans is antagonistic to salesmen.

You HAVEN'T TIME to make a NEW YEAR'S Resolution!



Don't waste time making New Year's resolutions.

There's too much going on—you may miss something . . .

There's too many new additional needs for life insurance springing up all about us.

While we're writing our resolution, somebody else will be writing the application!

Because—

In 1938, 2,200,000 children will be born . . .

In 1938, 1,250,000 people will unite in marriage to establish new homes.

In 1938, 30,000,000 children will be sent to school by parents who want them to stay on through graduation.

In 1938, 1,375,000 people will pass on to the Great Beyond. Some will leave an estate; others will leave nothing but bills.

It's our job to see that they all and everyone leave something behind—even if just enough for last illness and burial expense.

So don't waste time writing fancy resolutions.

Spend your time in writing applications—applications that will benefit everyone concerned, including yourself!

The NATIONAL LIFE AND ACCIDENT Insurance Co., Inc.



HOME OFFICE, National Building, NASHVILLE, TENN.

C. A. CRAIG, Chairman of the Board, W. R. WILLS, President



Governor Urges Savings Bank Life Insurance in N. Y.

(CONTINUED FROM PAGE 1)

who become objects of public aid would help keep down taxation for relief is likely to be popular with all voters no matter what their party affiliations.

Miss Susan Brandeis, New York lawyer and daughter of U. S. Supreme Court Justice Louis Brandeis, has been the most active and persistent worker for savings bank life insurance in New York state. Justice Brandeis, as a young lawyer in Massachusetts, was, more than any one man, responsible for the establishment of the Massachusetts savings bank life insurance system. Associated with Miss Brandeis have been various socially-minded citizens who saw in the movement an aid to improving the condition of the poor. These efforts have crystallized into the New York League for Savings Bank Life Insurance of which S. E. Wolfe, New York City cotton broker, is head.

Made Slow Progress

Miss Brandeis's group has made slow progress considering the length of time it has been working for its objective. Probably the main reason is that the movement's sponsors, in trying to arouse public enthusiasm, did little to convince the savings banks of the state that the idea was sound from their point of view. The league conducted its campaigns in such a manner that the savings banks could hardly be blamed for regarding them as a bunch of well-intentioned theorists and not much else.

The present New York bill differs in at least one important respect from its predecessors. Taxation would apply to life insurance departments of savings banks in exactly the same way that it does to premiums of domestic companies. This in some measure takes care of the objection that savings bank life insurance enjoys taxation exemption denied to regular companies. There still remains, however, the complaint that the savings banks life insurance departments would have the use of the New York department actuarial facilities and the medical bureau to be set up by the terms of the bill while these facilities are not open to other companies. This, in effect, gives the savings banks a subsidy for their insurance operations for the next five years, although after that they would have to share the expense of the savings bank division of the New York insurance department on an equitable basis to be determined by the superintendent of insurance, according to the bill.

Financing Is Hurdle

Even for savings banks to whom the life insurance idea appeals, the proposed law is not a complete open sesame. There are requirements which may be unpopular with savings banks executives and trustees. Any bank wishing to start a life insurance department must have on hand \$5,000 cash for expenses and another \$20,000 as a guarantee fund and none of this may be taken out of the bank's funds.

This means that for each bank going into the plan one or more outside "angels" or the trustees themselves would have to dig down in their pockets and put up the necessary cash. The money can be repaid, with interest not to exceed 6 percent, out of the earnings of the bank's insurance department. This is substantially the system followed in Massachusetts.

No Obligation to Repay

The \$25,000 would be split up into \$100 par value certificates but they would not be a liability against the bank or the guaranty fund so it is problematical how wide an appeal they would have as investments. From the savings banks' point of view, addition of an insurance department has the disadvantage that it would mean supervision by two

SALES RECORDS

Oregon Mutual Life—Insurance in force as of Dec. 31 was \$59,791,218, gain 7 percent. New business in 1937 totaled \$8,397,714, gain 13 percent.

Connecticut General—Preliminary figures show that during 1937 there was an increase over 1936 of 24 percent in new life insurance issued, the total new paid issue being \$205,000,000. Insurance in force increased \$70,000,000, making the total \$1,127,000,000.

First year premiums on life insurance increased by 35 percent; total life premiums by 14 percent. Total accident premiums increased by 19 percent. Total premium income was \$40,650,000. The number of representatives writing business enough to meet honor roll requirements increased by 31 percent.

Jefferson Standard Life—Reports an "all-time high" figure of life insurance in force at the end of 1937. The volume is now \$371,000,000. The sales organization paid for \$53,600,000 in new business in 1937, increase of approximately \$3,000,000 over 1936. Lapses were \$1,500,000 less in 1937. Net results for the year show an increase of \$23,000,000 in insurance in force. This is the largest gain of any year since 1928, and is one of the best records from the standpoint of net gain in its history.

Penn Mutual—The paid-for production in December was larger than in any December since 1930, the gain over 1936 having been 7 percent. In 1936 the gain over 1935 was 6 percent, and again in 1937 there was a comfortable and encouraging increase. The salary savings department in December broke all of its previous records in the amount of its issues. The gains are wholly in ordinary.

President Kingsley, quoted in the Philadelphia "Inquirer," said:

"In view of the fact that 1936 was one of the best years in the Penn Mutual in new business since 1930, I believe that the continuance of gain in

state authorities, the banking department, and the insurance department.

Nothing is said in the new New York bill about a top limit on the amount of savings bank life insurance that any one policyholder may carry. The Massachusetts plan is followed in that no bank may issue insurance of face amount greater than \$1,000 to any individual but there is no limit on the number of banks from whom a policyholder might obtain insurance. If there were 50 savings banks with life insurance departments a man could obtain \$50,000 of insurance.

Wolfe Mentioned Limit

Last fall Mr. Wolfe of the New York league said that he favored a limit of around \$5,000 as a maximum which any individual could carry in savings bank life insurance, his view being that above some such figure a man's insurance problems becomes sufficiently complex so that the services of a competent agent are needed. He felt that the savings banks should confine their efforts to the policyholders in the lower income brackets and should not be called upon to go to the expense of providing the type of service and advice needed by larger policyholders. He also felt that such a limitation would silence most of the opposition from life insurance men and might even gain their support on the ground that the man who had taken the limit in savings bank life insurance would be a better prospect for regular life insurance.

In 1934 a limit on total coverage in savings bank life insurance was proposed in Massachusetts but was defeated. Obviously, even if such a limit were included in the New York proposal and the measure became law, there would be no assurance that some future legislature would not remove the limitation.

Unconstitutionality might stand in the

1937 is particularly significant for the life insurance business during the coming year."

General Mutual, Van Wert, O.—"Every year since incorporation eight years ago, the company has shown an increase in insurance in force," reports C. M. Purnort, president. "In 1937 the increase was 20 per cent which coupled with an increase of over 10 percent in assets and over 8 percent in premiums brings all figures to a new high. Death claims in 1937 were very favorable, amounting to less than 5 percent of expected mortality. Interest earned amounted to better than 4 percent."

Reliance Life—New life insurance in 1937 was \$62,081,448, increase \$18,184,464 or 41.4 percent compared with 1936. Insurance in force is now \$453,561,158. A gain in new paid business was recorded every month of 1937.

National Life, Vermont—Preliminary statement shows paid for business last year was \$47,139,782, a gain of 3.29, and for new business only, without including restorations, additions, etc., \$46,129,377, a 3.7 percent gain. The total in force at the end of the year was \$533,955,109, a gain of \$14,174,100 in the year.

California-Western States Life—December best month of year in paid business. Average size of application up 14 percent.

Bankers, Ia.—Paid-for business was \$66,600,000 in 1937, a \$3,000,000 increase over 1936. Insurance in force is \$746,677,000.

Amicable Life, Waco, Tex.—Its annual statement shows assets \$11,638,526, of which \$2,245,680 mortgages, \$2,882,469 real estate, \$282,019 cash, \$125,200 U. S. bonds, \$2,925,443 state, county and municipals, \$2,628,313 policy loans. Its capital is \$820,000, contingency reserve \$100,000, net surplus \$513,466. Its insurance in force is \$80,084,313. The premium income last year was \$1,851,554, total income \$2,556,443.

way of savings bank life insurance even if the bill were successful in becoming law, according to some lawyers who have studied the proposed measure. The bill would deny the right to banks to write life insurance unless in the opinion of the superintendent of banks the particular bank's condition presents no objection to establishment of an insurance department. This discrimination, it is said, is in violation of the state constitution, which provides that powers, rights, and liabilities of savings banks shall be made uniform but he made no specific recommendation of the system.

Active efforts in behalf of savings bank life insurance are being made in the legislatures of New Jersey and Pennsylvania, it is reported.

RECOMMENDED IN RHODE ISLAND

PROVIDENCE, R. I.—Governor Quinn of Rhode Island in his annual message to the legislature recommended a "thorough study of the Massachusetts savings bank life insurance plan because I believe it will provide adequate insurance to our people at a greatly reduced cost." Governor Quinn, in an interview, charged the insurance companies had been "getting away with murder" in their interest charges and high rates. The state labor department and labor organizations are supporting the plan for savings bank life insurance, although the banks do not appear interested and there is little or no public sentiment for the plan. Chief M. J. Cummings of the division of banking and insurance, recently declared his unqualified disapproval of the idea in a report to the legislature and was strong in his condemnation of the system as carried on in Massachusetts.

Sales are easy with **settlement option** slide rule. Instructions included. \$1.50. Order from National Underwriter.

Former High Pacific Mutual Official Is Dead

Lee A. Phillips, chairman of the Pacific Indemnity and formerly executive vice-president of Pacific Mutual Life, died at his home in Beverly Hills, Cal., from coronary thrombosis. He had been critically ill for several weeks. He was 66 years of age. He went to Los Angeles in 1895 and practiced law. In 1907 he became general counsel for Pacific Mutual Life. He was elected vice-president in 1910 and executive vice-president in 1924.

Most Agents Held Not Taxable by Revenue Bureau

(CONTINUED FROM PAGE 1)

in connection with the social security act. It has been found, he said, administratively impossible to grant all requests for hearings.

Two company organizations, the Association of Life Insurance Presidents and American Life Convention, materially assisted the department in marshaling the data from companies and aided a number of companies in preparing briefs to present to the bureau. The Life Presidents took a prominent part in the Massachusetts Mutual case on rehearing after the bureau first had ruled the agents were employees.

Presented Heavy Burden

This was the case that first brought home to companies the danger to them in having to pay the burden of a tax that had not been calculated in the premium formula. The A. L. C. assisted the Northwestern Mutual in preparing its brief and also prepared a brief as amicus curiae. Col. Robbins attended many social security conferences in Washington. The A. L. C. also assisted in preparing the brief of the Kansas City Life, Colonel Robbins making two trips to Washington in the matter. Both companies secured rulings their agents were independent contractors.

Other companies aided were the Security Mutual of Binghamton, N. Y., Aetna Life, Travelers, United Life & Accident, Columbus Mutual and Pan-American, and in a rehearing on the Lincoln National Life which previously had received an adverse ruling. A large number of other companies were assisted in presentation of their cases under the U. S. act and state unemployment compensation acts. All cases in which the A. L. C. participated were decided favorably to the companies.

Another result of this life company organization activity also has been to secure reversal of a number of adverse rulings under the state acts. States have gradually come to rule similarly to the Internal Revenue Bureau that the agents are independent contractors.

A number of companies had complied with the federal act and paid substantial sums in tax. The question now arises whether the companies under Mr. Russell's new ruling may not ask for refund of the amounts so paid.

NEW RULINGS ARE RENDERED

Soliciting agents of the Mutual Life of New York and New York Life, and soliciting and general agents of the Prudential were ruled to be not employees but independent contractors under the U. S. social security act, Titles VIII and IX, by the Internal Revenue Bureau. The ruling does not affect the Prudential's industrial department, that company having conceded the employee status there. Managers of the Mutual of New York were held to be employees.

B. W. Torrence, general agent of the Life of Virginia in Atlanta for 20 years prior to his retirement about a year ago, died there.

Housing Field Investments Viewed by Pink

(CONTINUED FROM PAGE 2)

tial and the Union Central Life have been active in this interesting and forward looking enterprise.

The proposal of the Metropolitan Life to invest a small portion of its assets in the construction of housing for families of low and moderate income follows a precedent established during the housing emergency 15 years ago. In 1922 the legislature authorized life companies to use a limited portion of their assets in the construction of housing for families of moderate income. The following year the Metropolitan Life erected the largest single low rental multi-family housing project ever undertaken in the United States. Subsequently the Prudential erected and still owns and operates three low rental housing developments in Newark, two of which were erected in cooperation with the city.

The record of the financial return which the Metropolitan has received from its Long Island City development is one which gives us courage to go on. The buildings were completed in 1925 and for a period of some six years were fully occupied and made an average return of from 8 percent to 10 percent. During the depression there were many vacancies and there was little return above operating expenses. Beginning with 1935 the occupancy improved greatly and the buildings have thrown off a return of 3.98 percent in 1935, 4.43 percent in 1936, and 5.46 percent in 1937. Taking the period as a whole the project has not only been socially useful but has earned an adequate and fair return on the company's money.

Program Is Supported

The department wholeheartedly supports Governor Lehman's proposal and recommends to the legislature that life insurance companies be authorized to invest their funds for a limited time and in a limited amount in the construction of low rental apartments and small home developments. The department believes that legislation should be enacted so that the proposal of the Metropolitan Life can be carried out. This would not only be socially and economically useful but would be a safe and sound investment.

"There can be no possible danger in temporary and special legislation such as we had before and the results under that legislation will give valuable proof whether or not life insurance companies may safely enter the field of low rental housing as a public utility.

"The bill which is being drafted by counsel for the department for tentative suggestion to the governor and the legislature is strictly an emergency measure and would limit such operations to Dec. 1, 1943."

Be Kind to Yourself by Vash Young. \$1.50. Order from National Underwriter.

Over 50% Gain in new business in 1937

★ ★ *

The MIDWEST Life INSURANCE COMPANY of LINCOLN, NEBRASKA

Agent, in Service for 29 Years, Walks 84,000 Miles

J. H. Toombs of Princeton, Ind., has just completed 29 years service with the Prudential and during all that time he never used an automobile in his work. He estimates that he has walked a total of 84,000 miles.

Mr. Toombs served his company in Mt. Carmel, Ill., for 14 years, and 15 years in Princeton. He says he is still walking and likes it.

Financial Writer Favors Social Security Changes

M. S. Rukeyser, financial commentator and author of books on finance, speaking in Milwaukee on "The Future of Social Security," declared that the attempt through the so-called 47 billion dollar fund to approach a full actuarial reserve was based on fallacious reasoning. He advocated putting the scheme more nearly on a pay-as-you-go basis, supplemented by a moderate contingency reserve.

The transition proposed, he said, would enable the federal government to make the plan immediately operate instead of waiting four more years, and would also make feasible payment of full benefits the first 25 years of operation. He advocated bringing in the excluded and exempt classes as soon as is administratively feasible.

The current spending of payroll social security funds to pay the regular expenses of the federal government, he said, is based on unsatisfactory accounting, and tends to make the social security payments essentially a gross income tax on workers.

"In asking the young to contribute to the old age fund for 45 years" Mr. Rukeyser said, "we must be sure that long term good faith is behind the project. Security for the aged, as well as for the rest of us, must be visualized in terms of availability of goods and services."

James H. Daggett, vice-president Old Line Life of America and a group of Milwaukee newspaper men gave a luncheon for Mr. Rukeyser.

Called "One-Man Life Insurance Company"

(CONTINUED FROM PAGE 3)

sity of duties. In addition to office management he supervised agents, was in charge of underwriting, calculated rates, issued policies, handled loans, investigated and paid claims, kept the accounts and shared in the direction of investments. He went with the United States Life when that company re-insured the Brooklyn National, becoming assistant secretary. In 1936 he was elected executive vice-president.

Connecticut General Regionals

Three regional conferences are to be held by Connecticut General Life this year. The eastern meeting will be Sept. 7-9 at Swampscott, Mass.; western, Green Lake, Wis., Sept. 12-14, and coast, Del Monte, Cal., Oct. 3-5. The qualifying period is between January and September.

Has Profit-Sharing Plan

A profit-sharing plan by which leaders in premium production may benefit was announced by General Agent Richard Blackmur of the Massachusetts Mutual Life at the annual meeting of his agency in Boston.

Under the plan, at the discretion of General Agent Blackmur, a sum will be set aside each year of the agency profits and these agents establishing a named premium volume or greater will share in

profit declarations each June and December.

Officers of the agency for 1938 were chosen as follows: President, W. B. Thompson; vice-president, E. C. Bates; secretary, Karl Pfaffmann.

Virginia Legislature Meets

The Virginia legislature will meet in biennial session next week for a two-month session. The Virginia department plans to sponsor only a couple of bills of a clarifying nature but there will probably be other insurance legislation up for consideration.

Southern L. & A. New 47

The Southern Life & Health, Birmingham, observed its 47th anniversary Jan. 9.

It becomes the oldest industrial life company in the south, according to P. P. Pepper, first vice-president and secretary-treasurer. Other officers include W. N. Culp, chairman; J. H. McCary, president, and A. L. Kidd, second vice-president.

Elwood Vancouver Manager

The Manufacturers Life has appointed H. A. Elwood district manager at Victoria, B. C., to supervise the Vancouver Island territory. He has had more than eight years of experience in Life insurance.

ance: He joined the company at the head office in July, 1929, and served as a member of the agency accounts department until 1931 when he was transferred to the Regina office. In 1934 he was appointed cashier at Victoria.

B. M. A. Shows Large Gain

Business Men's Assurance—Total paid life was \$24,614,189, compared with \$19,708,786 in 1936, an increase of almost 25 percent. Life insurance in force gained \$9,684,027 to \$114,657,544, the largest gain in any year since 1929, and almost equal to the gain for the four years ended Dec. 31, 1936. Income was over \$6,000,000, almost a 10 percent increase. Total admitted assets reached almost \$16,000,000. Renewals showed a definite improvement.

Planning for 1938

Thomas Smith, Charlotte, N. C., and L. B. Dow, Memphis, Ohio National superintendents of agencies, are at the home office at Cincinnati going over production plans for 1938.

Don't pass an opportunity to ask people about life insurance.

* * *

Direct mail fans the flames between interviews.

Eight Year Record Broken!



In December, 1937, the representatives of the Midland Mutual Life turned in 875 completed applications for approximately Three Million, the largest monthly production since December, 1929.

The Midland Mutual Life will close 1937 with a gain in new paid for business of One Million, a net gain of life insurance in force of over Five Million, a gain of more than One and One-Half Million in assets, and a substantial gain in surplus.



THE MIDLAND MUTUAL LIFE INSURANCE CO.
COLUMBUS, OHIO

EDITORIAL COMMENT

Support for Savings Bank Life Insurance

THE MASSACHUSETTS savings bank life insurance system, which has been confined to that state, is now a very real threat in New York. Until Governor Lehman of New York came out last week with a recommendation for savings bank life insurance in his annual message to the legislature, support of the movement in New York state, though dating back a good many years, was confined to a group of well-intentioned zealots who felt great good would result if insurance were made cheaper for the industrial classes. The principal moving spirit has been Miss Susan Brandeis, daughter of supreme court Justice Louis Brandeis, who was the main promoter of the Massachusetts plan.

Miss Brandeis' enthusiasm for spreading the work started by her father is natural and understandable. Why others, without ties of filial devotion, should also see in the Massachusetts plan any perceptible contributions to the common man's welfare is more of a mystery.

By now it is fairly clear that in Massachusetts the savings bank life insurance plan has done little if anything for the class that is hardest pressed for money. Every indication is that those who have taken advantage of the Massachusetts plan are the shrewd buyers who know a bargain when they see one and have the money to pay for it. The average policy in the Massachusetts plan is around \$800. This is vastly in excess of the average industrial policy and it must be remembered that the average industrial policy not only covers those on the borderline of destitution but many in the upper level of the working class.

The excellent lapse rate of the Massachusetts plan, far from proving that the system helps the poverty-stricken policyholder, indicates the exact opposite. That such a low lapse rate could be maintained all through the worst de-

pression this country has ever suffered indicates that the Massachusetts savings bank policyholders as a class were sufficiently far up the economic ladder that unlike many ordinary policyholders they were not obliged to sacrifice their insurance to the rather urgent need for cash.

Enthusiasts for savings bank life insurance—among whom, incidentally, savings bankers themselves have been conspicuously absent—have constantly repeated that what they want is cheaper insurance for the industrial type of policyholder. Yet in their almost religious devotion to the Massachusetts system they overlook the obvious fact that if a system of savings bank life insurance comes along and skims the cream of the industrial business as has happened in Massachusetts, the policyholder who is so near the edge that he can pay only on a weekly basis or can't pass a medical examination must tend to pay more for the insurance he buys. The savings bank plan calls for payment of premiums monthly and there are many who cannot adjust their finances on even this modest basis. The only reason why the effect of selecting out the best risks from the industrial class is not more pronounced than it is is that it has been confined to Massachusetts and even there the plan has not progressed to any very striking extent.

The adverse effect on the life insurance business is not confined to the industrial field but hits the ordinary division as well. New York agents would not care to be in the same boat as their Massachusetts fellows, who can spend long hours working up a case and convincing an obdurate prospect that he should buy life insurance only to have him hear about the savings bank plan and decide to eliminate the agent. That this sort of thing constitutes unfair competition cannot be doubted without doing violence to the word "fair."

Early Returns Show Gratifying Improvement

THE EARLY returns from the life insurance companies giving their new business and amounts in force at the end of the year are gratifying in that they show a more healthy condition and a return to a normal middle-of-the-road situation. There are fewer minus signs before the item "gain or loss of insurance in force." The gains revealed by the returns so far coming to THE NATIONAL UNDERWRITER indicate an average of 5 percent in new business. But there was nearly a 50 percent improvement in gains in insurance in force.

After all the latter item is a very appropriate one to judge the progress of a company. Even now the margin between new business and increase in insurance in force is wide. This shows, of course, that there has been a heavy lapse in addition to the normal decline due to matured endowments, death claims, etc. The 1937 returns are pleasing in that they reveal the companies have overcome the sharp lapsation and the consequent heavy reduction of insurance in force.

People have adjusted themselves to

their new budgets of expenses and ways of living. The economic recession of the present has brought a material increase in demand for policy loans which will run up the lapse ratio again to a certain extent. However, the general opinion is that thousands of people have recognized the necessity for ballasting their fortunes more

securely and have recognized life insurance as the safest sort of underpinning. That is, they are convinced that there will be ups and downs in business and therefore investments of many sorts fluctuate. Life insurance is always at par. There are no fluctuations in it. It stays at the same point.

PERSONAL SIDE OF BUSINESS

Commissioner Frank Yetka of Minnesota has left for Arizona for a two weeks vacation.

H. T. Cale, 67, Augusta, Ga., district manager of the Life of Virginia, died at his home there. He went to Augusta 23 years ago from Atlanta.

W. M. McKercher, special agent for Northwestern Mutual Life in Sioux City, Ia., recently celebrated his 83rd anniversary, being still active. On April 1 he will have represented Northwestern Mutual 50 years.

Victor F. Pettric, a big insurance producer of Los Angeles, has been confined in the U. S. V. A. F. Main Hospital in West Los Angeles for several months. He is suffering from a malady affecting the feet, that doctors have not been able to diagnose. He has managed to get about occasionally and get some business, walking in slippers.

W. E. Talbot, vice-president and agency manager of the Southland Life, has returned to his office after several weeks leave of absence recuperating from illness at his home near Brownsville, Tex.

W. A. Hamilton, 80, pioneer California life insurance man, died in Inglewood after a brief illness. He observed his 60th year in the business last May at the Los Angeles office of the New York Life.

Sterling W. Sill, agency director New York Life, has just been installed as president of the Salt Lake City Exchange Club and as such will direct the activities of the convention of the International Association of Exchange Clubs to be held in Salt Lake City in July.

M. J. Cleary, president of Northwestern Mutual Life and for many years active in charity and social service organizations, will be the principal speaker at the dedication of the new Goodwill Industries building in Milwaukee, Jan. 16. The organization is a unit of the Milwaukee Community Fund.

P. J. Dunn, South Dakota insurance commissioner, has been named a member of the securities commission, which supervises sale of all securities in the state.

Bert C. Nelson, prominent personal producer for Northwestern Mutual Life in Milwaukee, has a busy speaking schedule ahead. He made a hit in addressing the 1937 annual meeting of the National Association of Life Underwriters in Denver and has been in demand as a speaker since that time. He will address the sales congress at Houston

Jan. 25, the one at San Antonio, Jan. 26 and the third at Dallas, Jan. 27. On his way to Texas he will address three underwriters association meetings, Quincy, Ill., Jan. 18; Kansas City, Jan. 20, and Tulsa, Jan. 21. Returning from Texas he will address the Oklahoma City sales congress, Jan. 28.

Guy H. French was feted on the 25th anniversary of his affiliation with the New York Life at a banquet for agents and office employees of the northeast Iowa agency, Waterloo, Ia. Mr. French was presented flowers and congratulatory letters and telegrams. He joined the company in Kansas City and has been agency director in Waterloo since 1926.

O. R. Carter, Chicago, inspector of agencies, was the principal speaker. Paul Norton, Cedar Rapids, Ia., agency organizer, was toastmaster. There were 60 present.

Since Mr. French is an amateur photographer, the agency presented him with a light meter.

W. A. Blair, vice-president of the Amicable Life, died at the age of 54. He was born in Milam county, Tex. After having gained several years of life insurance experience in other states, he became connected with the Amicable in 1915 in charge of the underwriting and renewal department. In 1918 he was appointed deputy insurance commissioner of Georgia and served for 16 months. He then returned to the Amicable as assistant secretary and became a director. In 1933 he was promoted to vice-president. He was personally acquainted with most of the Amicable's agents and was held in high esteem.

E. M. Veatch, executive vice-president Southern Life of Atlanta, became a grandfather, through the birth of a son to his daughter, Mrs. Charles Wright of Louisville.

L. F. Larson, Northwestern Mutual Life general agent in Portland, Ore., will celebrate his 35th anniversary this year. Nine members of Mr. Larson's staff have been with the Northwestern a total of 266 years, the terms of service ranging from 20 to 42 years. Mr. Larson's veterans are headed by H. R. Albee, ex-mayor of Portland, and W. S. Baker, who will observe their 42nd anniversaries this year. Other veterans are: E. W. Amesbury, 38 years; F. E. Lewis, 28; L. D. Bosley, 27; Sam Raker, 25; W. A. Davidson, 24; W. P. Jones and H. C. Galey, 20 years each.

Mrs. Hazel Oppenheimer, one of the leading personal producers of the Equitable Society in San Francisco, has been nominated for president of the Business & Professional Women's Club in that city. She is a leader in San Francisco

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Life Underwriters Association activities, having been chairman of the women's committee and a director of the association.

Stanley Long, president of the Pathfinders Mutual Life, has been elected president of the board of regents of the University of Nebraska, of which he has been a member for a dozen years.

John E. Clayton of Newark is again New Jersey's leading life underwriter for 1937, with a sales volume in excess of \$2,000,000 of new life insurance. Mr. Clayton is a life member of the "Million Dollar Round Table," past president of the Life Underwriters Association of Northern New Jersey and now chairman of its legislative committee.

George F. Stange, agent of the New York Life at Kenosha, Wis., at the end of December had completed 200 consecutive weeks of app-a-week production, complete with examination. He has re-

ceived a certificate of merit and appreciation signed by company officials, and becomes a member of the Double Century League.

Dr. P. H. LeBlanc, 69, medical inspector of the Life of Virginia in New Orleans, dropped dead from a heart attack as he started to step from his car at a downtown corner.

Elza E. Shaw, district supervisor of the Prudential at La Crosse, Wis., was married to Miss Belma Hammond at the Little Brown Church in the Vale near Nashua, Ia.

H. M. Green, 53, manager of personnel of the Northwestern Mutual Life since the department was created and for 37 years with the home office of the company, died at a Hammond, Ind., hospital after being struck by a truck near Chicago. Funeral services were in Milwaukee with interment at Lowell, Wis.

AS SEEN FROM CHICAGO

BEARD COMPANY DIRECTOR

Robert H. Beard, head of a prominent Chicago insurance agency transacting all lines of business, was recently elected a director of Philadelphia Life. He has been general agent of that company since 1929. Philadelphia Life states that the election of Mr. Beard is in recognition of "The importance of the field force in the company's progress."

CHICAGO TELEPHONE DIRECTORY

THE NATIONAL UNDERWRITER at its Chicago office has issued the 1938 edition of the Chicago Insurance Telephone Directory giving a list of offices in the Insurance Exchange and also outside. This is a compact, useful directory which is universally used. At the desk in Chicago the price of the telephone directory is \$1. If sent by mail the price is \$1.15.

SUN LIFE CONFERENCE

The group life and group annuity departments of the Sun Life of Canada held a sales conference in Chicago this week. W. S. Penny, director of agencies; C. E. Reed, superintendent of agencies in charge of group and sales promotion, and A. C. Coughtry, assistant superintendent of life and annuity division, spoke.

GAIN OF 37% FOR ZIMMERMAN

The C. J. Zimmerman general agency of the Connecticut Mutual Life in Chicago accounted for a 37 percent increase in paid business and paid applications for the first six months under Mr. Zimmerman's direction. January sales are already 70 percent ahead of last year and the agency has an objective of 100 percent increase for the year.

HOFFMAN RANKS HIGH

The George Hoffman agency of the Guardian Life of New York in Chicago ranked sixth among the company's agencies in December and ninth for the year. J. C. Gregsamer of the agency led the company in November in paid business.

HOLD CARROLL MONTH PARTY

At an agency party attended by more than 200, the Freeman J. Wood agency of the Lincoln National Life in Chicago celebrated the conclusion of Carroll Month, a special campaign in honor of Superintendent of Agencies J. P. Carroll. J. M. Kopf was named Carroll Month winner on the basis of paid volume; O. A. Jeanes was the leader in written business.

The F. J. Wood agency placed 10th countrywide in 1937. Mr. Wood wrote several hundred thousand personally. All of his agents are either studying the

C.L.U. work or other courses on life insurance and selling.

N. K. ALLISON RALLY JAN. 17

The annual agency meeting of the N. K. Allison agency of Connecticut General Life in Chicago is being held Jan. 17. Mr. and Mrs. Allison will be hosts at a dinner dance that evening in the Edgewater Beach Hotel. F. H. Haviland, vice-president in charge of agencies at the head office, is expected to be on hand. He was formerly Chicago manager.

A 34 percent increase in 1937 business by the brokerage department of the Allison agency has necessitated an expansion of space. G. R. Robson, who has been brokerage manager, has been made assistant manager of the agency and he also will retain charge of the brokerage. His assistants will be Charles Holman, who has been with the agency and Elmer L. Johnson, formerly with the Continental Assurance at both the home office and the Field building branch. Mr. Johnson was also at one time Chicago manager of the United States Life.

P. A. HAZARD, JR., A SUPERVISOR

Paul A. Hazard, Jr., has joined the J. F. Ramsey agency of the Home Life in Chicago as supervisor. He is 26 years of age and has demonstrated a remarkable aptitude for the business. While with the Van Goldman agency of the Prudential he was the top man during 11 months and stood 19th in the company during those months.

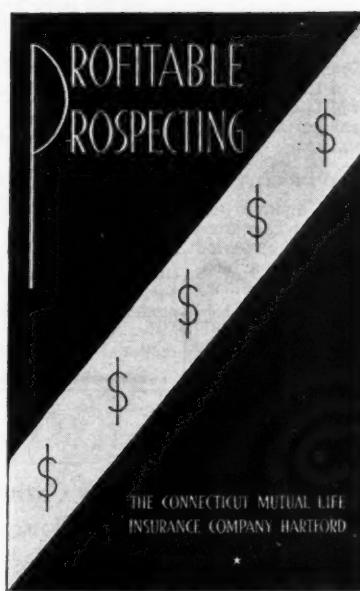
HOUZE AGENCY LUNCHEONS

W. M. Houze, Chicago general agent for John Hancock Mutual, started the year with a luncheon for his Chicago agents and another in Rockford, Ill., for his out-of-town producers. Mr. Houze and several of the supervisors addressed these gatherings and the January objectives were given. Mr. Houze emphasizes the month ahead rather than the year. He believes in keeping his eyes on the weeks ahead rather than undertaking to map an entire year's course. The Houze agency had its best year in history in 1937. Twenty-seven new agents were recruited during the year, of whom about 20 remain.

UPWARD SALES TREND NOTED

Life insurance sales in Chicago made a sharp upturn this year, it is reported by Marc A. Law, general agent there of the National Life of Vermont. Just when the business recession seemed to be a settled order of things that would endure for some time, general business indices turned upward, as did the curve of life insurance sales. This reaction had not been expected by Chicago life men. Production in the last quarter of 1937 was off sharply for most Chicago

92 YEARS of DEPENDABLE PERFORMANCE



Connecticut Mutual representatives are finding the material presented in the Company's new booklet, "Profitable Prospecting," extremely valuable in pointing the way to increased earnings.

Based on a pioneering and exhaustive study of 21,403 cases, which have been on the books of the Company up to twenty-two years, and representing over 63 million of life insurance, "Profitable Prospecting" points out those specific factors to look for in a prospect if he is to be termed "profitable" to agent, agency and company.

CONNECTICUT MUTUAL
LIFE INSURANCE COMPANY • HARTFORD

life offices, although August business was good. The Law office showed a good gain last year despite the last quarter slump. Paid business was up substantially and quite a bit of business insurance and annuities was sold.

EQUITABLE'S CHICAGO CHANGES

H. G. Gierhart, son of H. S. Gierhart, agency manager Equitable Society in New York City, has been transferred from the home office to Chicago as assistant in the claims department. He has been in training in the home office claim department. He is associated in Chicago with G. P. Hitchcock, claim manager. The unit of H. J. Campe in the Sloan agency at Chicago has been combined with the unit of C. W. Hertel in the same agency. Mr. Campe resigned as assistant manager and went into personal production.

RECORD ON 10TH ANNIVERSARY

The A. Van Goldman agency has turned its tenth year since it was started from scratch in Chicago. In that period Mr. Van Goldman has built up a business of more than \$43,000,000 ordinary life and \$12,500,000 group insurance in force, not counting credit for single premium policies and annuities. The official paid production figure for 1937 was \$7,627,971, but this did not include \$561,000 single premiums and about \$807,000 retirement annuity premiums. The 1937 sales total was the largest in the agency's history, increase being 11.7 percent and increase over allotment \$1,100,000. The business in force increased \$5,916,000. The Van Goldman agency was third countrywide in the Prudential for net increase and was well up among the leaders on a paid basis. Mr. Van Goldman has been in life insurance work since 1920, starting as agent of the Prudential at Minneapolis. He was assistant manager there 1924-27 and was transferred to Chicago as manager, opening his present ordinary office. The size of his organization is shown by the fact collections by his office approximate \$2,000,000 annually.

BUDINGER AGENCY LEADERS

The F. J. Budinger agency of the Franklin Life at Chicago leads the entire field for the third successive year. It showed an increase of 15 percent in paid for business over last year. Sydney S. Eckstone of the Budinger agency not only led the agency, but all the agents of the company. He was given two cups, one for a 1 application a week for the 52 weeks in 1937 and another for the largest paid for volume. Aside from Mr. Eckstone the Budinger agency had two other agency leaders being in the brackets of those writing \$200,000 or more, they being Leo Mauloff and John E. Duffy. Mr. Eckstone hit his real stride during the year and crossed the line with a splendid volume.

The runner up general agency was Guy Cowden of Springfield, Mo. The Franklin got 30 percent of its business last year from Illinois.

Mr. Budinger has installed a new device in his office, there being three different colored electric light globes opposite each man's name on a board. A red light signifies that an application has been secured. A white light means that a man has secured an application for \$5,000 or more. A green light shows that he has placed a paid for policy. The lights are turned off at the end of the week and started at the beginning of the week, being turned on when there is an event of the nature bringing the illumination out.

AETNA LIFE'S CHICAGO PROGRAM

Several home office officials of the Aetna Life will attend the annual Big Ten sales congress and banquet in Chicago, Jan. 20 of the R. S. Edwards general agency there. The sales congress will start with movies of the agency's annual outing in Wisconsin last year. The morning session will be divided in two parts, Kenneth Hales being chairman at first, then after an intermission, S. S. Swanson. Both are agents. C. G.

Millionaires Qualify for Equitable \$150,000 Club

One Equitable Society "millionaire" in Chicago qualified for the \$150,000 corps for 1938 on Jan. 1, and another barely missed doing so. Harry T. Wright qualified Jan. 1 with \$196,000 volume and 13 cases. Louis Behr qualified in business and premium volume but did not have the required 12 cases at that time. He had only nine cases on Jan. 1, but supplied that deficiency very quickly.

Morehouse, agent, No. 1 accident producer in the Edwards office, will discuss accident insurance; J. E. Griffith, Jr., secretary home office group division, will talk on group insurance, and W. H. Dallas, assistant vice-president in charge of underwriting at the home office, will discuss underwriting. After intermission the Aetna selling plan will be presented by D. K. Weiser and Rudolph LeBoy, agents. D. H. Teas, Wisconsin Rapids, Wis., agent, will give a talk on the Aetna's estate control plan which he

delivered at the regional meeting in Colorado Springs last year. The Borden and Busse sound film will be shown, followed by a skit with A. H. Hiatt, assistant superintendent of agencies, and E. H. Snow, agency assistant from the home office, in the cast. The title will be "Making Sales Prevention Stay Prevented," a parody on the Borden and Busse film which shows first how business should not be sold, then presents the correct method. In the afternoon there will be three group discussions: Life, presided over by Mr. Dallas; group, Mr. Griffith as chairman, and accident, Paul Rogers from the home office presiding. In the evening a banquet is scheduled for home office officials and Big Ten alumni in the agency, when General Agent Edwards will present plaques for leaders in the life, accident and group divisions. There will also be presented to Mr. Dallas the results of a testimonial drive from Dec. 27 to Jan. 19. The testimonial committee consists of R. E. Shea, chairman, and Messrs. LeBoy and Morehouse.

R. W. Frank of the Caperton agency of the State Mutual Life ranked fourth in the United States among the company's personal producers in 1937. He was second in 1936. He is on an eastern trip until Feb. 1.

GENERAL AGENCY NEWS

Nudists Gather for Lewis Agency Banquet on Jan. 19

NEWARK—A banquet will be held Jan. 19 by the Frank H. Lewis agency of the Mutual Life to conclude a three months' "Nudists Contest for Production."

Before the contest each member of the agency had his picture taken. The head of each picture was cut off and attached to a figure of a man clothed in a pair of trunks. As each member brought in business, a little more clothing was put upon the figure. At the banquet each agent will appear dressed as he finished in the contest. Many of the agency force will sit at the banquet table partly undressed. It is expected that one of the home office officials will be a guest speaker. The agency made a substantial gain in paid for business in 1937.

McAfee Agency Wins Contest

The S. K. McAfee agency of the Mutual Life of New York at Charlotte, N. C., was winner in the production contest with the E. D. Wilson agency at Richmond extending from Oct. 1 to Dec. 31, paying for \$1,060,790 and exceeding its quota by \$60,790. The 15 best producers of each agency will be entertained shortly at the expense of the Wilson agency. M. R. Robbins of Rocky Mount, N. C., led the McAfee agency with \$190,000 of paid business.

Honor App-a-Weekers

Three 10-year app-a-week producers of the Claude Fisher agency of the Connecticut Mutual Life, Des Moines, Ia., were honored at a luncheon. They are G. R. Lundgren and L. C. Pendry of Des Moines and N. L. Mershon, Marshalltown, Ia.

Celebrate 1937 Record

The St. Louis agency of the Massachusetts Mutual Life showed a gain of 15 percent in new business for 1937, it was reported at the annual meeting for the agents and their wives. J. W. Leigh and Roger E. Lord, as production leaders, were elected president and vice-president of the advisory council of the agents' association. Miss Alma G. Robb is secretary and C. F. Cook, treasurer, and A. H. Cox is a member of the council. The St. Louis agency finished fourth among all of the company's agencies.

Paul Clark Agency Holds Annual Meeting in Boston

BOSTON—C. B. Johnson, new member of the Paul F. Clark agency, John Hancock, was announced this week at the annual meeting of the agency as agency and company leader for 1937. He produced more than \$1,000,000 new business and received permanent possession of the president's emblem, having been Agency Leaders Club president for more than three months of the year, leading in premium volume. Mrs. Martha Boot, million dollar producer, led the agency and company again this year for women.

The vice-president's emblem of the club was awarded Robert Pitcher for leadership in lives written.

J. A. Broe won the agency consistency award, having placed at least one application a week for 8½ years. W. C. Knowles was second with one a week for seven years. Paul Tubby won an award for having a no-termination record.

Plans Training School

The Atlantic Agency of Richmond, Virginia general agent of the Atlantic Life, is planning to launch a school for training salesmen with R. G. Richards, agency secretary of the company as director. There will be a series of courses, the first beginning Jan. 17 and lasting two weeks. A. O. Swink, former president of the Atlantic Life, is now president of the agency.

Honor Veteran Agent

January has been designated as "Snow Month" in the San Antonio agency of the Jefferson Standard Life, honoring G. G. Snow, who has been with the agency for 15 years.

Install Kentucky Commissioner

FRANKFORT, KY.—Vernon D. Rooks of Paducah, 28, one of the youngest of Kentucky's officials, was sworn in this week as commissioner of insurance, succeeding Sherman Goodpaster of Owingsville, who resigned to become chief clerk of the senate.

Mr. Rooks began his service with the state five years ago as a clerk and stenographer in the insurance department. He became actuary under the reorganization act of 1936 and held that position until his temporary appointment as commissioner.

INDUSTRIAL

New York Legislator Urges Assembly Study Industrial

ALBANY, N. Y.—At the legislative committee hearing here on the proposed New York insurance code, Chairman Piper said the committee should make a thorough study of the industrial business before it concludes its work. "We may find that everything is all right, but we have serious suspicion in us," he said.

Samuel Cappell, secretary of the Industrial Agents Union, who said he spoke for labor, deplored the fact that the new code had not gone more in length into the industrial life insurance problems.

Gaither Baltimore Manager

BALTIMORE—H. S. Gaither has been promoted to manager of Baltimore, 2, district of Sun Life of Baltimore. Mr. Gaither has served his company for 12 years, the last five as assistant manager.

New Home Office in Savannah

A former bank building in Savannah, Ga., has been acquired by the Guaranty Life of that city for home office purposes. The company will utilize the first floor for its headquarters and offices on the second and third floors will be rented. The building was purchased at a cost of \$15,000 and is Indiana limestone construction.

Continental, D. C., Changes

J. H. Long, Richmond, Va., manager of the Continental Life of Washington, D. C., for 11 years, has been appointed assistant secretary at the home office in Washington. J. S. Spivey, district manager at Petersburg, has been transferred to Richmond to succeed him. H. Wingfield, associate manager at Richmond, becomes district manager at Petersburg. H. M. Baggett, another associate manager at Richmond, has been made district manager at Alexandria. H. L. Brown has been made superintendent at Charlottesville.

Hawks New Manager

W. V. Hawks has succeeded D. F. Buckley as manager of the Metropolitan Life in Waterbury, Conn. Mr. Buckley is retiring. Mr. Hawks goes to Waterbury from Newton, Mass. H. H. Kay, Metropolitan manager in the School street Boston office goes to Newton. No announcement has been made as to Mr. Kay's successor.

Honored on Promotion

L. L. Roessle, district manager of the Metropolitan Life at Youngstown, Ohio, has been promoted to Cincinnati. He was a guest of honor at a dinner given by employees of the Metropolitan and their wives. He was presented a traveling bag and his wife an evening purse. Mr. Roessle will be succeeded by Youngstown by Paul Haber of Steubenville.

Monumental's New Schedule

Hereafter Monumental Life agents need report to the district office only on Tuesday, Thursday, and Friday. The time for reporting has been changed from 8 to 8:30 o'clock.

W. B. Higginbotham, cashier of the Metropolitan Life's Forest Park office in St. Louis since 1921, is retiring at the age of 65 after 39 years of service. He is a son of the late John H. Higginbotham, who opened the St. Louis territory for the company 50 years ago. He was honored at a dinner by Manager James G. Callahan and his associates.

N. J. Commissioner to Resign

C. K. Withers, New Jersey commissioner, has been elected president of the Lincoln National Bank of Newark. He will resign as commissioner.

NEWS OF THE COMPANIES

Continental American's Year

Some Interesting Figures Are Given to Show the Progress the Company Has Made in Recent Days

The Continental American Life of Wilmington, Del., has issued its new annual statement showing assets \$21,131,62 of which \$1,925,334 are federal bonds, \$97,908 Canadian, \$1,395,798 state, county and municipal, \$1,905,194 railroad, \$2,480,171 utility, \$61,624 industrial. Its mortgages on city property amount to \$6,695,148 and on farms \$134,887. Its real estate is \$734,937 and policy loans \$4,266,394. Its cash account is \$678,843. Its capital is \$637,530 and net surplus \$1,362,591, showing the company in a most excellent financial situation. Its assets have increased 72 percent since 1929. Its new insurance shows an increase of 21 percent during the same period. Last year the new business was \$19,245,383. Its insurance in force showed an increase of 33 percent, it now being \$123,390,103. The year 1929 will be remembered as the peak year of national prosperity and then came the crash. The progress made by the Continental American during the years of depression is notable.

Last year its insurance in force increased 6 percent. The average sized policy issued last year was \$5,213 and 83 percent of its new business was in policies of \$5,000 or more. Its assets increased \$1,596,343 or more than 8 percent last year. The real estate has been written down so that the present book value is only 73 percent of the unpaid principal of the mortgages at the time of acquirement. The gross interest yield last year was 4.46 percent. This is due to its policy in investing a large proportion of its funds in high grade first mortgages on city real estate. Last year 72 percent of its new investments were in such mortgages and the rest were chiefly in high grade bonds. By far the greater part of these mortgages are on newly constructed residences occupied by the owners. At the end of the year no mortgages of this character were in process of foreclosure. Interest overdue more than three months amounted to \$193 and other overdue interest amounted to \$690, this on a total investment in such mortgages of \$6,695,148. Surplus increased last year so that capital and surplus now amount to \$2,000,121. The assets are more than 10 percent in excess of reserves and all other liabilities.

Company Moved to Peoria

PEORIA, ILL.—Transfer of the Mutual Casualty, which is affiliated with Alliance Life, from Chicago to Peoria has now been completed. This eliminates a sizable payroll in Chicago and the extra work is being absorbed in Peoria without additional cost. All of the business of Mutual Casualty was re-insured in Alliance Life last May.

Ohio Franchise Tax Bill

A bill introduced in the Ohio senate would levy a franchise tax of 1/20 of 1 percent on all corporations for 1938, 1939 and 1940, in addition to the present franchise tax of 1/10 of 1 percent. Section 5503 of the general code, which is not amended by the proposed new law, provides that "insurance, fraternal, benevolent, building and loan, bonded investment and other corporations required by law to file annual statements with the superintendent of insurance, shall not be subject to this act." According to an opinion expressed by insurance men, incorporated agencies would apparently be taxed under the bill if it were enacted into law.

Will Liquidate Cosmopolitan

Director Smrha of Nebraska Ordered to Receive Bids for Reinsurance of Life Business

LINCOLN, NEB.—District Judges Chappell and Broady have ordered liquidation of the Cosmopolitan Old Line Life of Lincoln, and if it cannot be re-insured they will order a receiver to wind up its affairs, naming either Insurance Director Smrha or some one outside the department. Mr. Smrha was directed to notify all life companies doing business in Nebraska that he will receive sealed bids by Jan. 18 for reinsurance of the life business, with more than \$1,000,000 in force, and for the servicing of the 45,000 units of thrift certificates held by 13,000 individuals. The bids will be opened by the court the following morning.

Three companies, including the Central National Life of Lincoln, recently organized, had previously indicated an intention to submit bids. The company has assets of \$3,106,000. Pending further action by the court Mr. Smrha is to conserve the assets and make all necessary collections. He has been in charge of affairs since December, 1936. The court order requires the successful bidder to carry out all contracts insofar as it is possible, giving the necessary bonds that it will do so and being permitted to charge a fee for servicing the thrift contracts.

The Cosmopolitan was started as a thrift company in 1919, selling units of \$120, to be paid for at \$1 a month for ten years, when the holder would be paid the principal and accrued earnings, which included forfeitures from lapsed contracts. It was permitted under the contract to use \$28 of the \$120 for expenses and later, when a small life insurance coverage was added, \$8 for mortality cost. The first maturities paid \$231, but in litigation that began several years ago accountants and actuaries said the real earnings were \$132. The court later forced the company to transfer \$75,000 from its general fund into the fund to retire pending contracts at maturity and rendered judgment against President Jack Matthews for \$193,000 found to have been wrongfully allocated. His appeal is pending in supreme court. Other Nebraska life companies that added the thrift plan to their offerings have all abandoned its sale.

Equitable, Ia., Has Big Year

Insurance in Force Totals \$571,985,000
—New Business Gains 6 Percent for
\$62,462,000

Definite progress was shown by the Equitable Life of Iowa in 1937, its 70th anniversary year. New paid business, including annuities, totaled \$62,462,187, an increase of \$3,717,658, or 6.3 percent. New life insurance totaled \$51,396,742, an increase of \$5,254,888, or 11.4 percent. This is the largest volume of paid life insurance since 1932.

Life insurance in force recorded a gain in 1937 of \$16,277,633, increasing the total insurance in force to \$571,985,070.

Twenty-five general agencies paid for in excess of \$1,000,000 of business in 1937, as compared to 23 in 1936, and 191 agents individually produced \$100,000 or more of paid business during 1937, as compared to 169 in 1936. Of this number, 68 agents qualified for the Pioneer Club by paying individually in excess of \$210,700 of business during the year, an amount equal to the total produced by the entire field force of the company in 1867, its first year of operation.

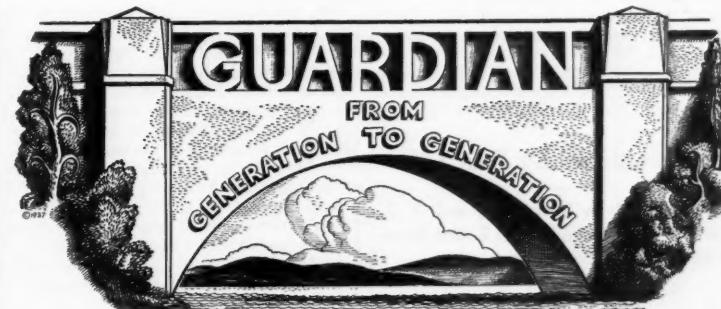
The Williamsport, Pa., agency, Roy G. Lauer, general agent, led all agencies

Don't Miss The TRAIN

SEASONABLE is the tale of the traveling man who missed his train, not because he didn't run fast enough, but because he didn't start soon enough. The moral is obvious to life underwriters who would achieve creditable records in 1938. "Tomorrow never comes."

LIFE
INSURANCE COMPANY
of
VIRGINIA
RICHMOND

THE
GUARDIAN LIFE
INSURANCE COMPANY
OF AMERICA
NEW YORK CITY



A MUTUAL COMPANY
ESTABLISHED 1860

in paid business with over \$2,500,000. The Griffin, Ingram & Pfaff Agency, Chicago; the Rice Agency, Harrisburg, Pa.; the Kansas City Agency, Herbert A. Hedges, general agent; and the Kokomo agency, L. T. Boyd, general agent, followed in the order named, each having a total production of more than \$2,000,000.

Examining Northwestern National

Examiners of the Minnesota department are making their regular examination of the Northwestern National Life.

Launch New 1938 Campaign

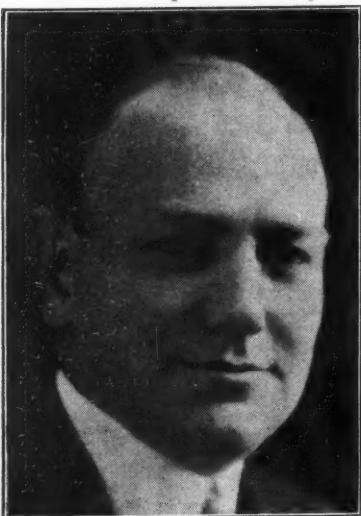
The field force of the Ohio State Life has launched a new campaign to be known as the Lidlifters, Inc., of 1938.

COMPANY MEN

George E. Potter Is Advanced

Prudential Announces the Promotion of the Assistant to the President, Who Has Had Excellent Training

NEWARK, N. J.—A new executive of the Prudential was named when George E. Potter, who has been assist-



GEORGE E. POTTER

ant to the president, was designated a second vice-president. He has come up through the ranks, having been enrolled as a clerk on Aug. 26, 1907. After serving through various clerical positions, he was made assistant manager of Division L on March 1, 1920. On Jan. 3, 1927, he was appointed secretary to the executive and additional recognition followed on Jan. 1, 1931, when he was advanced as assistant to the president.

Other promotions included Dr. Paul E. Carlisle, from medical referee, metropolitan area, to associate medical director, home office, and W. F. Entrekkin, from manager of group annuity consultation service to supervisor.

Six Promotions by Sun Life

H. W. K. Hale, Secretary, and J. J. Cooper, Comptroller, Will Retire from Active Service March 31

The Sun Life of Canada announces the retirement of H. W. K. Hale, secretary, and J. J. Cooper, comptroller, and the appointment of F. J. Cunningham, assistant actuary, as secretary, and E. E. Duckworth, assistant secretary, as comptroller, effective March 31. In the meantime Messrs. Cunningham and Duckworth will be associate secretary and associate comptroller respectively. Other important appointments announced will take effect immediately: H. F. Gundy, assistant chief under-

Bushnell Equitable's Second Vice-president



V. L. BUSHNELL

V. L. Bushnell has resigned as vice-president in charge of new business for the Continental Bank & Trust Co. of New York to become second vice-president of the Equitable Society in the agency and group departments. Mr. Bushnell joined the Equitable in 1919 but resigned five years later to join a banking and brokerage firm. He went with the Continental Bank & Trust Co. in 1932 as assistant vice-president and later was made vice-president.

Mr. Bushnell represented the Equitable as an agent in Indianapolis, then became special representative of the group department in Chicago and later was promoted to sales manager of the group department at the home office.

writer, to be assistant actuary; E. W. Crowe, chief clerk, to be assistant actuary; Q. C. D. Bovey, supervisor of head office personnel, to be assistant secretary; K. D. Macaulay, supervisor of head office routine and planning, to be assistant comptroller. All started with the company as clerks in various departments at the head office and have been with it for many years.

Mr. Hale has been with the Sun Life since 1911. In 1918 he was appointed comptroller, and in 1923 became secretary. Mr. Cooper, a graduate of Cambridge University, joined the company in 1902 and for many years handled administrative detail of the actuarial department. In 1919 he was appointed assistant actuary, in 1932 associate actuary, and in 1934 comptroller. He is an associate of the Institute of Actuaries of Great Britain, and a fellow of the Actuarial Society of America.

Mr. Cunningham is a graduate of McGill University and joined the company in 1922 in the actuarial department. He was appointed chief clerk of the profits department and later became chief clerk of the mathematical department. In 1934 he was appointed assistant actuary. Mr. Duckworth is a graduate of Liverpool University and was science master of Langholm Academy, Scotland. He joined the Sun Life 26 years ago. Seven years later he was appointed insurance superintendent of Quebec, a position he held for two years, when he returned to the Sun Life as assistant secretary.

New Assistant Medical Directors

The Guardian Life of New York has appointed Dr. David C. Roberts and Dr. B. C. Bullen assistant medical directors. Dr. Roberts joined the home office medical department in 1934 after graduating from Tulane University and training at the Medical Center in New York City. Dr. Bullen joined the home office medical department in 1936 after a number of years service as an examiner in New

NEWS OF LIFE ASSOCIATIONS

Development of Career Men Takes Years, Says Johnson

"It takes approximately three to five years to make a life insurance man from the rough material," said Holgar J. Johnson, vice-president of the National Association of Life Underwriters and general agent for the Penn Mutual Life at Pittsburgh, speaking before the Greensboro (N. C.) Life Underwriters Association.

"All of us," he stated, "whether we have been in the life insurance business 10, 15 or 20 years, should be constantly in the process of development if we are to consider ourselves as career underwriters."

Mr. Johnson outlined cardinal rules to be followed by the neophyte who aims toward a full career as a life underwriter. "He must know something—and that does not necessarily mean that he has to be a college graduate or a university man, but he should have sufficient educational background to meet his policyholders and prospects on a par. That does not mean formal education, but educational training."

Must Have Background

"It is not necessary to be a specialist as some who claim to have specialized knowledge about business insurance, to be experts on taxes or estate analysis. I believe, however, that a man should have a reasonable understanding of finance, business relationships and the fundamentals of sociology. He must have a reasonably accurate grasp of people and the things that affect people. Above all, he must know what he is selling."

Other essentials for the career underwriter were characterized by Mr. Johnson as: a high ethical regard for his business; making enough money to establish himself and maintain prestige in his community; sufficient production to justify the income he has a right to expect from a life's vocation.

"One of the major underlying forces behind the career underwriter's urge to get ahead," he said, "is the fact that he wants to do something better than the other fellows. There may be different motivating factors that guide different people, but in all cases there must be some motivating force behind anyone who wishes to be a career underwriter."

Two Other Talks

Mr. Johnson also spoke before the District of Columbia and New Orleans associations. At the former meeting he discussed the national social security program and its relation with life insurance. Both are two great forces of social betterment, he said. "The future will prove that they will supplement each other in the economic scheme, and help bring America a security that she has never before known." Social secur-

York City. He received his medical degree from the College of Physicians and Surgeons at Columbia University.

McVity to Business Men's

KANSAS CITY—Leonard H. McVity, secretary and actuary of the Canadian Life Insurance Officers Association, Toronto, has been named actuary of the Business Men's Assurance, effective April 1.

Although only 31, Mr. McVity brings to the Business Men's a broad background of actuarial experience, W. T. Grant, president of the company, pointed out. He has been with the Canadian association since 1936. Previous to that he was with the Manufacturers' Life of Toronto in actuarial work. He was educated at the University of Toronto and is a fellow of the Actuarial Society of America and of the American Institute of Actuaries.

ity provisions provide minimum security and life insurance, judiciously added to the amounts that will be received in old age from the government, will grant Americans a fuller measure of security than they have ever known. "Social security will provide its recipients with the bare necessities of life. Insurance will supplement that and assure the comforts of old age that are so vital," he said.

Stellar Program Arranged For Oklahoma City Meet

OKLAHOMA CITY—At the annual sales congress of the Oklahoma City Association of Life Underwriters Jan. 28 the following will talk: O. Sam Cummings, Dallas, president of the National association, on "Opportunities and Responsibilities"; Bert C. Nelson, Milwaukee, Northwestern Mutual, on "Prospecting That Brings Business—Money and Better Sales"; Grant Taggart, Cheyenne, Wyo., California-Western State Life, on "Success—a Price to Pay"; Paul Conway, associate general agent John Hancock Mutual Life, Albany, N. Y., "Where Do You Stand in the Market Place"; Joseph M. Gantz, Cincinnati, general agent Pacific Mutual, "Life Insurance Can Be Merchandised"; Sam J. Jackson, Little Rock, Ark., John Hancock Mutual, "Service to Policyholders."

A noon meeting has been called of three representatives each from the underwriters associations at Tulsa, Oklahoma City and Muskogee, for the purpose of organizing a state association at which Mr. Cummings will speak. In the evening a dinner-meeting of the Oklahoma General Agents & Managers Club will be held.

Georgia Sales Congress

ATLANTA, GA.—A state sales congress, starting with a breakfast for general agents and managers, will be held here Jan. 20. Among the featured speakers are O. Sam Cummings, president National association; C. J. Zimmerman, secretary National association; Jack Lauer, chairman of the Million Dollar Round Table, and Walter C. Hill, president of the Retail Credit Company.

Give Playlet in Peoria

The cast of the playlet of the Chicago Association of Life Underwriters that made such a hit in "Chicago Day" and were compelled to give a repeat performance, have agreed to stage the show in Peoria, Ill.

PITTSBURGH, KAN.—President John S. Kerns, Northwestern Mutual, presided for the first time at the January meeting. D. D. Daily, Jr., Massachusetts Mutual was appointed chairman of the committee for the annual life insurance message. M. S. Canfield, Equitable of Iowa, was appointed chairman of the February program. T. G. Honn, United Benefit Life, chairman of the essay contest, reported plans are well under way.

SAN FRANCISCO—Twenty-five members of the women's committee under chairman Jeanette Van Slyke, Pacific Mutual Life, discussed plans for a series of lectures on investments to San Francisco women. This activity under Mrs. Bruce M. Ashton, Connecticut General Life, is designed to present to the women a simple and complete explanation of the service of life insurance, with other types of investments.

LOS ANGELES—Ralph F. Yambert, president of Ralph F. Yambert & Co., discussed "Your Greatest Asset" before the forum group.

PITTSBURGH—Widespread fallacy among the masses eventually will mean national calamity, DeLoss Walker, associate editor of "Liberty," said at an open meeting sponsored by the Pittsburgh association.

He said the unemployed are not looking for jobs and that business profits and executives salaries are not excessive.

Baltimore—Chester O. Fischer, agency vice-president Massachusetts Mutual Life, talked on "Lucky in 1938."

W. H. Saitta has been appointed general chairman for the sales congress to be held May 6. Members of the Washington association will attend.

Cincinnati—G. E. Stephenson, author of "Living Trusts," is the speaker Jan. 27, which is also the date of the second annual leaders' banquet at which the leader in lives and the leader in volume of each agency will be guests of his general agent.

Dayton, O.—Judge W. C. Wiseman will speak Friday. W. T. Trump is president and Louis Kratzer, secretary.

Des Moines—H. A. Hedges, general agent Equitable Life of Iowa at Kansas city, spoke on "Self-Management."

Lansing, Mich.—D. M. Phipps, Chicago, educational director Continental Assurance, pointed out increasing percentage of total life business being written on lives of women and children, and great stimulus given annuity business by social security publicity. He advised agents to "swim with the tide" by spending more time canvassing for women's and juveniles' business. One out of every four applications comes from a woman, and many hundreds of parents are insuring their young children, in many cases to provide funds for education. He said: Americans are rapidly becoming "retirement-income conscious." More attention should be given providing tax coverage for business men.

New York state—The annual sales congress will be held in Utica in May. The definite date has not yet been decided. Former President F. H. Wenner was appointed general chairman by President E. A. Murphy. The Utica association has accepted the responsibility of putting on the congress.

Columbia, S. C.—Prof. Charles Roberts of the University of South Carolina law school, leader of the C. L. U. course

there, spoke on the professional aspects of life insurance.

Baltimore—Miss Sophia Bliven, manager of the women's division at the home office agency of the Penn Mutual Life, will speak before the women's division here on "What the Life Insurance Field Holds for Women."

Fort Wayne, Ind.—George H. Harris, public relations officer Sun Life of Canada, was guest speaker.

Honor Prudential Veteran

Some of the leaders in the life insurance business there gave a party in Peoria, Ill., Monday evening for Stanley Marshall, superintendent there, who has just completed 30 years in the service of Prudential. Mr. Marshall is to be feted at a Prudential gathering in Chicago, Friday of this week. Most of the Peoria Prudential staff will be on hand. Mr. Marshall each year has about 75 of his men join the Peoria Life Underwriters Association.

Alleged Fakers on Trial

NEW YORK—New Yorkers' eyes are being opened to ways of faking disability claims during trial of an alleged ring of professional disability fakers mail fraud and conspiracy charges. The claimant, who turned state's evidence, told how he was coached elaborately in symptoms of angina pectoris and how he took digitalis to stimulate his heart to make it act as if impaired. There is no known test by which the presence of digitalis can be spotted, doctors at the trial testified.

James J. Parks, for many years vice-president of the Missouri State Life, was the guest of honor at a dinner in St. Louis in observance of his 86th birthday.

Edgar Trant has been named manager of the Norfolk, Va., ordinary agency of the Life of Virginia. He succeeds J. Branham Cooke.

Three Canadian Groups Name New Staffs for Year

Three Canadian life underwriters associations have elected new officers. These are: Winnipeg—Honorary president, M. B. Grant; vice-president, R. B. Gay; secretary, W. M. Knight; treasurer, J. A. McPhail; executive committee: N. B. Henry, J. E. McIlroy, P. D. Stuart Scott, R. C. Wilcox, C. Sheppard, R. Cameron, J. B. Griffin and Anton Bures. Stratford, Ont.—President, J. R. Binning; vice-presidents, J. B. Fee and A. M. Hall; secretary-treasurer, C. W. Leach. Executive committee: R. C. Tomlinson, Nelson Pequegnat, D. A. Campbell, A. Waddell and S. Etherington. Kingston, Ont.—President, A. E. Ironside; vice-president, A. S. Baldwin, and secretary, R. V. Ball.

PERSONALS

C. F. Williams, president of the Western & Southern Life, Cincinnati, was elected president of the Property Owners' Association of that city. **W. Howard Cox**, president of the Union Central, is a member of the advisory board.

George S. Van Schaick, former superintendent of insurance of New York has become a director of the 3-cents-a-day plan for hospital care, Karl Eilers, president of the Associated Hospital Service, in New York City. He succeeds to the directorship which was made vacant by the death of Henry Moir, former president of the United States Life. Mr. Van Schaick is vice-president of the New York Life, a position to which he was elected in May, 1936.

Following a lingering illness, **C. T. Thurman**, 73, general agent of the Mutual Benefit Life at Richmond, Va., for 18 years, until he retired last September, died at his home there. He joined the company in Tennessee in 1897. He was made general agent at Baltimore in 1904. Before being transferred to Richmond he was also general agent in Raleigh, N. C. Howard C. Thurman, one of his sons, is with the Richmond agency of the Mutual Benefit.

K. A. Luther, partner in the Luther-Keffler agency of the Aetna Life in New York City, will celebrate three important anniversaries this year—his 65th birthday, fifth anniversary of his partnership with R. H. Keffler, and completion of 40 years service with the Aetna Life.

Brooks Fuller, son of W. S. Fuller, newly appointed manager of the Prudential ordinary department in the Field building, Chicago, succeeding Jesse E. Smith, retired, has joined his father in that agency. Prior to this change Mr. Fuller had been connected with the Van Goldman agency in the Insurance Exchange since graduating from the University of Illinois in 1929.

W. A. White, New Jersey state agent for the John Hancock Mutual Life, with headquarters in Newark, will celebrate his 70th birthday Jan. 19. He has been nearly 53 years in the insurance business. He started in the general insurance business in 1885 in Orlando, Fla. A few years later he took up life insurance and joined the forces of the New York Life, with which company he remained for a number of years.

In October, 1903, he left the New York Life and joined the John Hancock Mutual and in 1906 he went to Newark as a state agent for the company.

John S. Thompson, vice-president and mathematician of the Mutual Benefit Life, has been nominated by the civic conference committee of Glen Ridge, N. J., for the Glen Ridge board of education. Mr. Thompson has resided in Glen Ridge, for more than 25 years.



*Sold...on the
Courthouse Steps*

When slaves were sold on the steps of the old St. Louis Courthouse, policies of the St. Louis Mutual Life Insurance Company were being sold to wise investors in the Middle West.

At that time the St. Louis Mutual was the only legal reserve life insurance company west of the Mississippi (there were only sixteen in the East). Through sound principles it has earned a reputation for intelligent management and enduring success.

There is a better future in a company with a good past.



**SAINT LOUIS MUTUAL
Life Insurance Co.**

ST. LOUIS, MISSOURI
F. H. Kreismann, President

THE HOUSE OF PROTECTION

Now bringing to more than 500,000 policyholders in 35 states DEPENDABLE PROTECTION

Since 1887

PROVIDENT
LIFE AND ACCIDENT INSURANCE COMPANY
Chattanooga Tennessee

Life • Accident • Health • Group

THIRTIETH ANNUAL STATEMENT

CONTINENTAL AMERICAN LIFE INSURANCE COMPANY
WILMINGTON, DELAWARE

DECEMBER 31, 1937

ASSETS:

Bonds: U. S. Government.....	\$1,925,333.92
Canadian Government	97,907.69
State, County and Municipal.....	1,395,797.92
Railroad	1,905,193.73
Utility	2,480,171.19
Industrial	61,624.46
First Mortgages on City Properties	6,695,147.84
First Mortgages on Farms	134,887.29
Real Estate	734,936.84
Policy Liens Within the Reserve.....	4,266,394.11
Preferred and Guaranteed Stocks (at market value).....	710,960.00
Bank Stocks (at market value).....	44,664.00
Cash	678,842.68
TOTAL	\$21,131,861.67

LIABILITIES:

Legal Reserve	\$18,518,753.00
Reserved for Policy Dividends, Taxes, etc.	560,922.40
Contingency Reserve	52,065.28

TOTAL LIABILITIES

Capital Stock	\$ 637,530.00
Surplus	1,362,590.99

ASSETS IN EXCESS OF LIABILITIES.....

TOTAL	\$21,131,861.67
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PROGRESS SINCE 1929

December 31	Assets	New Insurance in Force	Payments to Policyholders
1929	\$12,280,225	\$15,866,960	\$1,067,438
1937	\$21,131,862	\$19,245,383	\$1,840,103
Increase 72%	Increase 21%	Increase 33%	Increase 72%

For General Agency Opportunities in

PENNSYLVANIA	MASSACHUSETTS	MARYLAND	OHIO
NEW YORK	CONNECTICUT	VIRGINIA	WEST VIRGINIA

Inquire of W. M. ROTHARMEL, Vice President

Strong Progressive

Are You Willing to WORK for a Company Which Is Willing to WORK with You?



NORTH AMERICAN LIFE INSURANCE COMPANY

OF CHICAGO.

E. S. ASHBROOK
PresidentJOHN H. McNAMARA
FounderPAUL McNAMARA
Vice-President

NORTH AMERICAN BUILDING, CHICAGO, ILLINOIS

THE HOME LIFE INSURANCE COMPANY
OF AMERICA

PROTECTS THE ENTIRE FAMILY

Home Life agents are equipped to serve every need for life insurance. Modern policies are issued, on both Industrial and Ordinary plans, from birth to 64 next birthday.

A POLICY FOR EVERY PURSE AND PURPOSE

Basil S. Walsh
PRESIDENTBernard L. Connor
SECRETARYJohn J. Gallagher
TREASURER

Independence Square

Philadelphia, Penna.

LIFE AGENCY CHANGES

New Inspectors of Agencies

F. B. Summers, D. S. Bates and Lloyd Lafot Are Advanced by New York Life

Three new inspectors of agencies have been appointed by the New York Life: Frank B. Summers at Boston in charge of the northeastern department; Dudley S. Bates, San Francisco, in charge of the central Pacific department, and Lloyd Lafot, Chicago, in charge of the central department.

Three new supervisors have been appointed, E. W. Hunt, in charge of the La Salle street and Dearborn branches in Chicago; Roland B. Burch, in charge of Louisville, Indianapolis and Fort Wayne branches, with headquarters in Louisville, and H. H. Hicks, in charge Detroit, Lafayette and Grand Rapids, with headquarters in Detroit.

Mr. Summers joined the New York Life as an agent in Calgary, Alberta, in 1914. Three years later he became agency organizer and a year later agency director. He was transferred to the Nebraska branch in 1925 with Omaha headquarters and was appointed supervisor of the northeastern department with Boston headquarters in 1936. He is a trustee of the National Association of Life Underwriters.

Starts as Clerk

Mr. Bates joined the New York Life as a clerk in 1914 and subsequently became cashier. He was named agency director of the Fresno, Cal., branch in 1923 and was transferred to the Golden State branch in 1932 and to the old Pacific branch, now San Francisco Clearing-Office, later the same year. He was appointed supervisor of the Pacific department a year ago.

Mr. Lafot started as a New York Life agent in 1924, after service in the navy. He graduated from Annapolis. He was made agency organizer at Los Angeles in 1927 and became agency director at Fresno in 1932. He was appointed supervisor in charge of the central department in Chicago last October.

Mr. Hunt joined the New York Life in 1896 as a branch office employee and later became cashier. In 1904 he was made manager of the Fisher branch in Chicago and later in the same year became agency director of the Royal branch. Subsequently he served as agency director of the Marquette, In-

dianapolis, Columbus, Insurance building and La Salle street branches.

Mr. Burch became a branch office employee of the New York Life in 1912. In 1917 he was made agency director of the Atlanta branch. In 1923 he was transferred to Louisville, where he was made agency director in 1924.

Mr. Hicks started as a branch office employee in 1914, later becoming cashier. In 1923 he was made agency organizer of the Oregon branch and in 1925 he was transferred to the San Francisco Clearing-Office. He was appointed agency director at Oakland in 1926.

The promotions mean greater recognition for the new inspectors of agencies while they represent enlarged duties and an expansion in territory for the three new supervisors.

Baldwin in Service 42 Years

W. O. Baldwin, inspector of agencies in Michigan, Ohio, Indiana, Kentucky and West Virginia, with offices in Detroit, is retiring after 42 years in the business. His territory is divided between Mr. Hicks, Mr. Burch and other divisions.

A native of Huntington, Vt., Mr. Baldwin entered the business as a New York Life agent in Burlington in 1896. Six years later he became agency director of the Vermont branch and in 1905 was appointed agency director of the western branch at Springfield. His next step was as supervisor of the great middle west department—Michigan, Ohio, Indiana, Kentucky and West Virginia. In 1916 he went to Detroit as inspector of the department.

Mr. and Mrs. Baldwin were guests at a farewell luncheon in Detroit at which a large oil portrait of Mr. Baldwin was presented to the couple by the Detroit staff. After visiting Florida and California the Baldwins plan to reside in Vermont summers and in the south winters. Vice-president F. A. Wickett was in Detroit for several days arranging the new setup.

Edgar Smith Retires

Edgar W. Smith, Portland, Ore., general agent for Oregon Mutual Life, has resigned to assume personal management of his extensive farming interests in eastern Washington. Mr. Smith's farm is in the famous Palouse country, and comprises about 8,000 acres. Mr. Smith will maintain his residence in Portland.

Mr. Smith formed his agency in 1933 following the sale of his flour mills in

New York Life Promotions



LLOYD LAFOT
Inspector of Agencies
Central Department



FRANK B. SUMMERS
Inspector of Agencies
Northeastern Department

Astoria to eastern interests and two years service as assistant coast manager of the Farmers National Grain Corporation. He succeeded in developing his agency to a point where it has become one of the largest in the northwest, according to W. C. Schuppel, executive vice-president.

As a testimonial the agency is designating January as "Smith Month." At the conclusion of the drive the agency will hold a regional meeting at the home office at which Mr. Smith will be the guest of honor and the new agency head will be introduced to the organization.

West Coast Life Announces Several Agency Changes

Several Pacific Coast changes have been made by the West Coast Life. R. J. Primeaux, formerly Los Angeles agency manager, will take over his old territory with headquarters in the Security building in Pasadena. Arthur J. Judd, formerly Arizona and New Mexico manager, has been appointed manager of the central California agency, with headquarters at Fresno. C. S. Waters, Bakersfield, will be his field assistant.

Ben Owen, Phoenix, succeeds Mr. Judd as agency manager for Arizona.

Carl Dickson has been transferred from Weed, Cal., to Sacramento as district manager under Agency Manager R. W. Quigley.

W. E. Rhodes, formerly agency manager, Fresno, is returning to Montana. W. A. Shelley has been appointed agency organizer for Mendocino and Lake counties, working under the supervision of Agency Organizer L. V. Olsen.

John H. Cokeley, home office agency, has been appointed agency organizer in San Francisco territory, under Manager E. V. Collins.

Lowers with Ohio State

Ralph C. Lowes, Jr., has been appointed general agent in central Illinois for the Ohio State Life. After graduating from the United States Naval Academy at Annapolis, Mr. Lowes spent two years in the service and then resigned to join his father in the general agency of the Lincoln National at Peoria in 1922. Mr. Lowes has been in the business for 15 years. He was the first C. L. U. in Illinois outside Chicago. He will continue headquarters in Peoria.

Johnson Des Moines Manager

R. W. Johnson has been appointed Des Moines manager of the Mutual Benefit Health & Accident and United Benefit Life, with offices at 327 Iowa building. He was for eight years district manager for the Mutual Life of New York in Nebraska and for five years with the Sun Life, three years as assistant manager in the home office agency.

Isaacson to Lincoln National

Thorpe B. Isaacson has been appointed general agent of the Lincoln National Life for Utah and Idaho, with headquarters in Salt Lake City. He is a former agent of the Business Men's Assurance and led that company in personal sales the past two years.

W. P. Diehl Agency Manager

W. P. Diehl has been appointed agency manager for the Equitable Society in Allentown, the territory embracing 16 counties in Pennsylvania and Warren county, N. J. Heretofore he has been district manager at Reading, Pa. He has been with the Equitable since 1924.

Close Peoria General Agency

The Lincoln National Life will close its Peoria office, which was under the direction of General Agent R. C. Lowes,

Jr., giving that territory to the De Barry-Williams Lincoln National general agency in Chicago. Mr. Lowes has become general agent of the Ohio State Life for central Illinois. The De Barry-Williams organization will shortly announce the appointment of a district manager to handle the Lincoln National affairs in the Peoria territory.

I. A. McBride Back in Insurance

Ira A. McBride has returned to the service of Northwestern National Life as a personal producer with the Albach-Strudel agency in St. Louis. He resigned as general agent for Northwestern National at Springfield, Mo., in 1933 to become supervisor of building and loan associations for the state. He retired from that office in April of last year and since then has been acting as receiver for several building and loan associations in Missouri.

Pittam District Manager

W. H. Pittam, field assistant Equitable Society at Scottsbluff, Neb., was appointed district manager with headquarters in Alliance, Neb., associated with the Croxson agency, Omaha. T. E. Phillips, Chadron, Neb., agent, was named field assistant in Mr. Pittam's unit.

McGaughy to Orlando

The Volunteer State Life has promoted Supervisor J. M. McGaughy of the J. W. Bishop home office agency to district manager at Orlando, Fla. With exception of the world war period, he has been with the Volunteer since 1913.

Grose Now General Agent

E. L. Grose, heretofore agency manager for the Equitable Society for Arizona, New Mexico and southwestern Texas, has now been made general agent, with the same territory.

Modell to Philadelphia Life

William Modell has been appointed general agent in St. Paul for the Philadelphia Life, with offices in the Pioneer building. He formerly was with the John Hancock Mutual Life there.

Hanauer Resigns as General Agent

George H. Hanauer, who has been a general agent of the Bankers National Life at the home office in Montclair, N. J., has resigned and has joined the John A. Ramsay agency for the Connecticut Mutual Life in Newark, as a personal producer. He has been in the life field for about five years, starting with the New York Life.

Passmore Richmond Manager

George E. Passmore has been appointed manager at Richmond, Va., for the Jefferson Standard Life. For some time he had been district manager at Petersburg, Va. He has been with the Jefferson Standard for 15 years, having started in the home office.

R. E. Smith with Home Life

The Home Life announces that Robert E. Smith will become associated with the Newark office as supervisor of production. He first entered life insurance with the Scott agency of the Home Life in Brooklyn. He later was for several years one of the leading producers of one of the New York City agencies. Since Jan. 1, 1936, he has been manager of the Newark group office of the Prudential. He is a member of the executive committee of the Newark Life Underwriters Association.

Bankers Life Appointments

Agency Manager Frank Wigginton of the Pittsburgh agency of the Bankers Life of Iowa has appointed S. W. Houser as city supervisor. He has been a Bankers Life agent since April, 1926, when he joined the Pittsburgh organization after a number of years' experience in the wholesale paper and real estate business. Mr. Wigginton has appointed



**Complete PLANNED PROTECTION
for you and yours through —**

SUN LIFE  **OF CANADA**

HEAD OFFICE MONTREAL

An example of press advertising recently released by the
SUN LIFE OF CANADA

CENTRAL LIFE INSURANCE COMPANY OF ILLINOIS

A LIMITED NUMBER OF EXCEPTIONAL
GENERAL AGENCY OPPORTUNITIES

AVAILABLE IN

MICHIGAN and OHIO

ALFRED MAC ARTHUR, President

211 WEST WACKER DRIVE
CHICAGO, ILLINOIS

four new district agents, H. L. Burnett will serve in that capacity at Sharon; V. A. Curtin at Greensburg; Don Middlekauf at DuBois and Fred McCafferty at Butler.

Goes on Branch Office Basis

Miffin Blackstone, general agent of the General American Life at Washington, D. C., has resigned and hereafter the agency will be on a branch office basis.

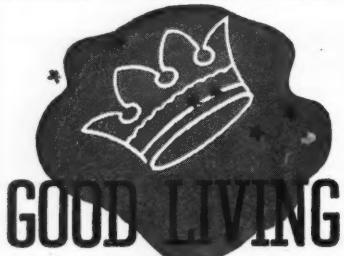
Spangler Returns to Dallas

J. Max Spangler, who has been general agent in Louisiana for the Kansas City Life, has returned to Dallas to become associated with O. Sam Cummings, Texas state manager for the company. Mr. Spangler has been connected with the Kansas City Life for 14 years.

Goldstandt Arrives in Dallas

Guy L. Goldstandt, who has been connected with the Equitable Society for 25 years, has arrived in Dallas to become associate manager in the office. He has been with the New York city office of the Equitable.

Herbert H. Dawson, of the Gordon H. Campbell agency Aetna Life, Little Rock, has been appointed supervisor for northern and eastern Arkansas. Mr. Dawson has been in the insurance business 22 years. He formerly was Arkansas manager of the Mid-Continent Life.



Fine food, comfortable smartly appointed rooms, friendly service. And yet over 50¢ of all rooms for \$3.50 or less single; \$5.00 or less double.

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ST. LOUIS

Convenient Location

EMIL EITEL
KARL EITEL
ROY STEFFEN

ROOMS \$2.50 UP
WITH BATH \$3.50 UP
Known for good food

in the heart of Chicago

BISMARCK
HOTEL at RANDOLPH CHICAGO

GEORGE WASHINGTON LIFE INSURANCE COMPANY

Charleston, West Virginia

LEE WARREN JAMES, PRESIDENT

An Old Line Legal Reserve Company • Founded in 1906!



Salesman Faces Four Factors

Today's sales problem divides itself into four factors, said James H. Eteson, assistant superintendent of agencies of the State Mutual Life, before the Greensboro (N. C.) Life Underwriters Association. These problems are: "1. Whom are we going to sell?—prospecting. 2. How are we going to gain the confidence of these people?—prestige building. 3. Why do they need it?—programming. 4. When do we get all these things done?—planning."

A prospect is not merely a name, said Mr. Eteson. The Curtis survey showed that three-fourths of the policyholders get their insurance from agents they had known for two years. A State Mutual survey showed that in two-thirds of the cases the policyholder had known the agent for at least a year. In a New York agency it was found that in 60 percent of the sales the agent had a social contact with the prospect as well as a business contact. The fact that the policyholder knows the agent is important.

Prospecting is a problem of the proper contact and the passing of time until circumstances are right, said Mr. Eteson. Increased income, increased responsibility, increased confidence in the agent, are the things that make for a real prospect. Circumstances must be right. Prospecting is not so much a problem of whom as a problem of when.

Must Build Confidence

Prestige building is important in building confidence so that the prospect will rely on his agent's judgment in applying life insurance to the man's own desires. Prestige building is not a problem of quick, flashy, favorable impressions. It is a problem of letting people know "that we are in fact good life insurance men." Courtesy, thoughtfulness, helpfulness are a part of prestige building. It is a cumulative process. Prospecting and prestige building are all related to "having people know us well and favorably."

Programming does not necessarily mean a complete audit. The two-interview system is not necessary in programming. The prospect should do some of the thinking in a sales presentation.

The agent should do some of the keeping still. Prospecting and good prestige building will set the stage for good programming, said Mr. Eteson.

Eliminate Lost Motion

Time control methods should not be based on the fact that life insurance men are particularly lazy. The difficulty of the life insurance business is that there is too much opportunity for lost motion. Life insurance men have to plan intelligently to do a good day's work. Hard work is the price of success and the agent should make up his mind to that. Hard work, however, is not necessarily unpleasant, said Mr. Eteson. Hard work in the life insurance business, if it is intelligent, includes preliminary calls, preliminary interviews, conversations about insurance, information, getting interviews, solicitations, closing, etc.

Repetition Is Hard

"The hardest part about making good is that you have to do it over every day. We have got to do the job every day if we are going to establish good working habits. That's a psychological fact we cannot avoid—one of the laws of success just as the law of romance is that the boy chases the girl and she catches him. We form good habits by doing the things we should do and by leaving undone the things we should not do. It is by the application of sound principles to our four major sales problems that we climb the hill to the success we want," said Mr. Eteson.

"One of the factors which brings us out of every business depression is the necessity, born of that depression, that every man in business exercise his utmost diligence. He must use his best intelligence, and most careful planning, that he may do the best he can with the means available to him at the moment."

Baldwin Wins Presidency

KANSAS CITY—J. P. Baldwin, manager of the California branch of the Business Men's Assurance, heads the Managers Club for 1938 with a 1937 record of 114.2 percent production in comparison with 1936 volume. B. A. Hedges, Wichita, manager of the Kansas branch, was second. Although his percentage was greater, 130.9, his production was lower.

J. B. Johnson of Oklahoma, was first among group B managers with a production of 131.4 per cent of 1936 business.

Plans for managers in 1938 call for a production of life and accident and health in about the same proportion as in 1937, or 50-50, according to J. C. Higdon, vice-president in charge of sales.

Sanders Wins Fifth Time

KANSAS CITY—R. E. Sanders, San Diego, Calif., paid for 4,809 points for the Business Men's Assurance in 1937, a new all-time individual record. This automatically makes Sanders president of the Grant Club in 1938, the fifth year in this position for him since 1929. He led the sales organization with \$686,267 of paid life for the year, and in addition

produced enough accident and health to qualify him as a member of the Accident & Health Club. He also qualified as a director of the company's Renewal Club.

Mr. Sanders now is a district manager for the company with offices at San Diego.

Mr. Sanders, not content with his record in 1937, opened 1938 auspiciously by announcing, on Jan. 2, the birth of Jay Grant Sanders, named for W. T. Grant, president of the B. M. A., and for J. C. Higdon, vice-president in charge of sales.

Organize Wisconsin Union

MILWAUKEE—Organization of the International Union of Life Insurance Agents, a group independent of the American Federation of Labor and also of the C. I. O., was completed here at a meeting of locals from several Wisconsin cities. Officers named are J. J. Simon, Milwaukee, president; Marvin Jansen, Racine, vice-president; Steve Molnar, Cudahy, recording secretary; Arthur Walters, Milwaukee, financial secretary, and Nels Larssen, Milwaukee, treasurer. Established locals are in Milwaukee, Racine and at Kenosha. Membership is composed largely of agents of the Metropolitan, Prudential and John Hancock.

To Hold Prospect Clinic

NEW YORK—A "clinic" dealing with a typical life insurance prospect will be conducted on four successive Mondays beginning Jan. 24 by the H. Wofford agency of the Prudential here. Mr. Wofford will be aided by F. J. Mulligan, assistant manager. Eight authorities in the trust, tax, law, accounting and underwriting fields will give their ideas on how best to serve this hypothetical client.

Manly Has Opened Office

INDIANAPOLIS—Frank P. Manly, who is organizing the new Hearthstone Life here, has opened offices in the Union Title building. He has received his permit from the insurance department to complete the organization and the first meeting of the board of directors was held this week. The capital will be \$100,000 and there is \$50,000 some of which has already been subscribed.

Robinson to Atlanta

Douglas Robinson, with the Prudential in Memphis, is being transferred to Atlanta as manager here of the farm loan department for that territory.

Special Presidents' Meetings

At the National Association of Life Underwriters mid-year conference in Richmond, March 11-12, it is planned to have special meetings of the past national presidents and the state presidents. It is expected that these new conferences will attract a greater attendance. The Richmond association is planning a sales congress, but the program has not been announced.

Bostonians in Florida

Boston Life Underwriters Association officials have deserted Boston this week for Florida. W. N. Watson, general agent, Connecticut Mutual, president, is spending the month there. First Vice-president Fitzhugh Taylor, Equitable of New York manager and Second Vice-president George P. Smith, New York Life manager, are attending company meetings there this week.

Guilty of Unlicensed Selling

Gustave Gold, 41-11 189th street Flushing, L. I. was found guilty in the court of special sessions, Kings county, on the charge of selling policies of associations not licensed in New York. The complaint bureau of the New York department made the investigation. The matter was referred to the racket bureau of the Kings county district attorney which obtained an indictment.

LEGAL RESERVE FRATERNALS

Mrs. McCurdy Is Advanced

Heads Royal Neighbors Following Death of Mrs. Arnholt; Mrs. Gorman on Board

Mrs. Grace W. McCurdy of Des Moines, Ia., has been appointed by the executive council of the Royal Neighbors, Rock Island, Ill., supreme oracle to fill the vacancy caused by the death



MRS. GRACE W. McCURDY

of Mrs. Mary E. Arnholt of Rock Island. Mrs. McCurdy was a member of the board of supreme managers.

Mrs. Margaret Gorman, Chicago, supervising deputy in Cook and Lake counties, Illinois, was appointed member of the board of managers to succeed Mrs. McCurdy.

Mrs. McCurdy will direct field work throughout the United States. She has been connected with the society for 23 years, having joined at Des Moines in 1915. She has had much to do with the progress of the Royal Neighbors, for 11 years having been a supreme officer.

In 1927 Mrs. McCurdy was appointed member of the board of auditors and held this office until 1928. Then she was appointed to the board of managers, for the last ten years continuously serving in this capacity.

In her early work for the Royal Neighbors, she became well known throughout Iowa. In a period of 12 years she served in all offices of Camp 1515 at Des Moines and was district deputy from 1922 to 1925. She has resided in Des Moines for 30 years, but will move to Davenport, Ia., in connection with her new duties.

Mrs. Gorman has been an active Royal Neighbor for 30 years, having joined Lawndale Camp No. 3606, Chicago, in 1908. For four years she was camp deputy, and 1912-1919 was assistant district deputy. She was district deputy for seven years until 1926, serving in Cook county. For the last 11 years she has been supervising deputy of Cook and Lake counties, building up a large membership.

The unexpired terms which Mrs. McCurdy and Mrs. Gorman fill run until June, 1941.

The executive committee will be composed of Mrs. Erna M. Barthel, Rock Island; Mrs. Edna E. Walsh, Kansas City, chairman; Mrs. Frances R. Torkelson, Lincoln, Neb., vice-chairman; Mrs. Jessie L. Mitchell, Brighton, Mich., and Mrs. Alice C. Nash, Hopkins, Minn. Mrs. McCurdy and Mrs. Gorman.

D. L. Dougherty of Pittsburgh, for more than 10 years financial secretary of Duquesne Council, Knights of Columbus, has resigned to go with the New York Life.

Field Managers Are to Meet

Program for Chicago Session Feb. 20 Announced by President R. M. Norrington

The Fraternal Field Managers Association will meet Feb. 20 in Chicago in connection with the meeting of the National Fraternal Congress. Sessions will be in the Morrison Hotel, starting at 10 a. m.

R. M. Norrington, field manager Gleaner Life, will preside. On the program will be Mrs. Dora Alexander Tally, president, N. F. C. and head of the Woodmen Circle, Omaha; C. L. Biggs, vice-president N. F. C. and recorder Maccabees; "Development of the General Agency System," A. O. Benz, president Aid Association for Lutherans; "Obtaining Members through the Lodge System," Frank Mallett, field manager Protected Home Circle, Sharon, Pa. Discussions will follow all talks.

In the afternoon, starting at 2 p. m., Dr. Vern Steward will present a work plan for selection of sales personnel. In the evening, starting at 8 p. m., there will be a session open to only one delegate from each member society, and election of officers.

Gleaner Life Agency Rally

President Orr and R. M. Norrington Report on Society's Sound Position in Detroit Gathering

DETROIT—About 75 field representatives of the Gleaner Life of Detroit attended a rally here under the direction of R. M. Norrington, field manager.

The first session was devoted to field department matters with emphasis on relationship of the field to the head office. Mr. Norrington reported a net gain of insurance in force for the first nine months of 1937 of \$990,000 and estimated that the gain for the year would be about \$1,250,000.

Walter Albachten, Detroit general agent Pacific Mutual Life, gave an address on "Life and Its Problems."

The banquet speakers were Ernest W. Owen, Detroit general agent for the Sun Life of Canada, and Paul Speicher of the "Research & Review," Indianapolis.

President H. P. Orr was the final speaker at the business session, outlining the financial condition of the society and its plans for the year.

Society Found in Good Trim

Convention Examination Report Is Made on the Women's Catholic Order of Foresters of Chicago

A convention report of the examination of the Women's Catholic Order of Foresters of Chicago has been issued, the states participating being Illinois, Minnesota and Washington. The examination was as of June 30. It is located at 140 North Dearborn street. The assets are \$18,016,901, legal reserve \$12,965,210, contingency reserve \$3,010,000, surplus \$1,941,149, solvency ratio 106.65.

The report says that the order is in a sound financial condition and the cash position is deemed to be more than ample. The surplus funds are being invested in liquid securities. The claim settlements have been paid promptly. The mortality ratio has been favorable and the general operating expenses moderate. Mrs. Anna R. Downes is high chief ranger Miss Anna E. Phelan, high secretary, and Miss Alice M. Prim, high treasurer. It received from members the first six months \$698,273 and total income was \$1,068,587. Its death claims were \$601,410, total disbursements \$869,-

272. The adult insurance in force was \$45,623,483 and juvenile \$4,085,237.

Aid Association Shows Fine Progress in Statement

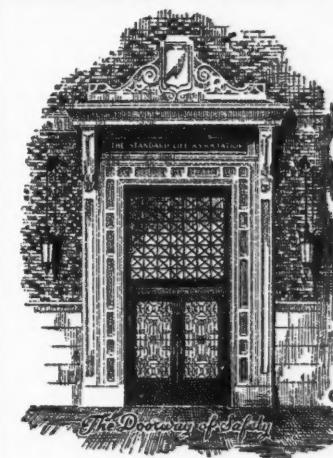
In its 35th anniversary year the Aid Association for Lutherans issued 11,508 adult certificates for \$13,149,500 insurance and 5,549 juvenile certificates for \$4,464,350, a total of 17,057 certificates for \$17,613,850 insurance. This increases the net total in force from \$166,940,304 in 1936 to \$177,294,313 at the end of the fiscal year on Sept. 30. The lapse rate in the adult department decreased from 6.1 percent to 3.9 percent in 1937, while the juvenile department lapses decreased 1.6 percent, including the maturities on account of transfers at age 16 to the adult department. The first year lapses were only 4.6 percent on adult and 11.7 percent on juvenile.

The total income in 1937 was \$1,000,936 compared with \$906,524 the previous year. Assets increased \$3,113,548 from \$21,278,116 to \$24,391,665 as of Oct. 1. Mortality was 35 percent of expected.

New Name Is Adopted for Old Milwaukee Society

MILWAUKEE—The new name, Catholic Family Protective Life Assurance Society was formally adopted for the Catholic Family Protective Association, J. G. Grundle, secretary, announced, with approval of revised and condensed by-laws. The society was formed Aug. 16, 1868, and lays claim to being the oldest fraternal in the United States and to being the first to reorganize on a sound basis and adopt in 1902 the American Experience table of mortality. Business is solicited on an agency basis. Modern underwriting practices and services were adopted long ago.

A year ago Mr. Grundle was elected



Stability — Safety
Performance

ASSETS

\$13,750,000.00

CLAIMS PAID

\$116,000,000.00

The Standard Life Association

Lawrence, Kansas

GEO. R. ALLEN
President
JOHN V. SEES
Secretary
MARTIN MILLER
Treasurer

What Is Legal Reserve Fraternal Life Insurance?

(This is the third of a series of advertisements outlining briefly a few characteristics of this type of protection—points that may not be generally understood by the otherwise well informed and intelligent fraternity of life insurance executives and salesmen.)

3. Legal reserve fraternal societies use the open contract which proved to be the most satisfactory for policyholders or members during the stress of depression years when all claims based upon the so-called open contract were paid in full.

Like the record made by the legal reserve fraternals as a whole, it was never necessary for the Ben Hur Life Association to borrow money from the government or any other source to meet all cash demands.

BEN HUR LIFE ASSOCIATION

Established 1894

Home Office: Crawfordsville, Ind.

John C. Snyder,
President

Edwin M. Mason,
Secretary

secretary. He formerly was secretary Milwaukee Fire & Casualty boards and Wisconsin Association of Insurance Agents. During the past year the life insurance service offered has been expanded, offices and agency staff enlarged, actuarial service engaged, several new policies and annuity contracts added, and settlements and dividend options provided. The number of policies has been greatly increased as result of the expansion.

Directors reelected Dr. Joseph Gramling, president; Joseph Shieck, vice-president; Mr. Grundle, secretary, and Albert Fritsch, treasurer.

Charles Duquette, Past Head L'Alliance Nationale, Dies

Charles Duquette, past president of L'Alliance Nationale of Montreal, who died recently, was the second high official of that society to die in a short time. Mr. Duquette retired as president several months ago due to ill health and Camille Manseau succeeded him. President Manseau also died recently, and Dr. Hector Cypihot was elected president.

Mr. Duquette formerly was mayor of Montreal. He was born July 5, 1869. He was a high lay official of the Catholic church. High mass was conducted at the funeral services with many priests

N. F. C. Annual Meeting in Toronto, Aug. 22-25

The annual meeting of the National Fraternal Congress will be held in the Royal York Hotel, Toronto, Aug. 22-25. Mrs. Dora Alexander Talley, president, announced. The dates were set at an executive committee meeting. Mrs. Talley is head of the Woodmen Circle, Omaha.

This will be the 25th annual gathering. Fraternalists are looking forward to attending, especially since the Canadian exposition will open in Toronto Aug. 26.

and dignitaries of the Catholic church officiating.

He had been connected with L'Alliance Nationale for a great many years and had been its president since 1922. Before that he filled many important posts. He was elected second vice-president in 1898, later being advanced to first vice-president, and then in 1919 became general director.

Mr. Duquette was a past-president Canadian Fraternal Association.

Unity of Bohemian Ladies

The Illinois department has released its examination report on the Unity of Bohemian Ladies of Chicago, a fraternal, at 2345 South Kedzie avenue. Its assets are \$1,545,772, reserves \$1,341,718, surplus \$178,239, ratio of solvency 109.37. The report is as of June 30. It operates in Illinois, Kansas, Maryland, Michigan, Missouri, Nebraska, New Jersey, New York, Ohio and Pennsylvania. The premiums for the first six months were \$138,835, total income \$176,068, benefits paid \$100,434, total disbursements \$115,453. It had insurance in force \$8,878,472.

Smith to Manage Field

M. R. Smith has been named superintendent of agents of the Modern Woodmen by O. E. Aleshire, president. He has been commanding general of the Woodmen Forester department 12 years. Under the new setup he will supervise field forces from the head office in Rock Island, Ill.

Mr. Smith takes over the field functions of R. H. Talbot, who was elected to the board. He arrived in Rock Island and will continue as head for the foresters in addition to his new duties.

Mr. Smith is a graduate of Yale and saw world war service in the air service, balloon section, becoming a major and receiving the Distinguished Service Cross.

Holland American Aid Report

The Illinois department has made a report on the examination of the Holland American Aid, Chicago fraternal, located at 3042 Sunnyside avenue. It writes life and health insurance. The assets as of Dec. 31, 1936, amounted to \$8,856 and the liabilities \$16,610. The ratio of solvency was 39.27 percent. The examination report says that the society is in poor financial condition. It does not meet minimum organization requirements as regard to membership. The department says that membership must

be increased and new risks must be carefully underwritten as the present mortality ratio is 117 percent. Its legal reserves amount to \$16,264. It has over \$56,600 insurance in force.

To Hear Oklahoma Tax Case

OKLAHOMA CITY—A three-judge federal district court Friday will hear

arguments here in the fraternal tax litigation started when W. H. Murray was governor. The case progressed in state courts until a few months ago the supreme court held in effect the fraternals were exempt from the tax. Previously, action had been started in federal court to secure an interlocutory decree to protect the fraternals.

VIEWED FROM NEW YORK

By R. B. MITCHELL

INCREASE IS RECOMMENDED

Included in the budget recommended by Governor Lehman, for New York state during the fiscal year 1938-39 is \$1,018,9950 for the insurance department, an increase of \$17,237 over the current year's allowance.

NEW YORK CODE HEARING

Further public hearings on the proposed new insurance code for New York will be held by the legislative committee Jan. 21-22 and again Jan. 27. The earlier sessions to take place in the National Board building will consider Articles XI-A, XIII, XVIII and XIX, "dealing with fire and marine insurance; with title insurance, mortgage indemnity and mortgage debenture companies." The later hearing to take place in the assembly parlor of the state capitol at Albany, will be devoted to Article XIV, relating to the operation of fraternals. The amended code will be submitted to the legislature on or before Feb. 15, but the prevailing belief is that no action will be taken at the present session, and it may be 1940 before provisions of the code have been so altered as to insure its enactment.

SUPERVISOR AT BOYCE AGENCY

W. H. Holman, Jr., has been appointed supervisor by W. L. Boyce, general agent Connecticut Mutual Life in New York City. Mr. Holman was formerly assistant manager in Baltimore for another company. Regarded as one of the best informed life insurance men of Baltimore, he is a teacher and tax expert and before going into life insurance was a tax specialist and public accountant. Several years ago he organized a self-improvement club to which agents devoted one night a week to improve their knowledge and skill.

KEE'S AGENCY'S GOOD YEAR

The Brooklyn agency of the Mutual Life of New York closed one of its most successful years with an increase in business of over \$1,500,000 or nearly 37 percent increase over 1936. In celebration and to commemorate the twentieth anniversary of its cashier, Victor Duncan, William H. Kee, manager, gave a luncheon.

Manager Kee, announces that Harry O. Finch, statistician of the agency for a little over a year becomes supervising assistant.

As a result of the wide spread interest in the recent business life insurance course covering a period of eight weeks, Manager Kee announces that starting with Jan. 17, a course will be given in estate conservation.

Morris Largeman, manager of the Williamsburg branch, showed an increase of 75 percent over the business paid for by his unit in 1936 and District Manager K. E. Kunken reports an increase of over 50 percent in business from his unit in Hempstead.

MELVIN LEONARD RETIRES

Melvin H. Leonard has retired as manager of the National Life of Vermont in New York City to become a personal producer. Karl G. Gumm, assistant superintendent of agencies, will supervise the office until a new manager is appointed. He will be assisted by E. J. Phelps, assistant manager, and Miss Muriel Johnson, cashier.

NEW GUARDIAN LIFE AGENCY

A new Guardian Life of New York agency has been opened in New York

City at 415 Lexington avenue with Leo J. Birnbaum and Jerome A. Rooney as managers. Mr. Birnbaum entered life insurance several years ago as an agent and two years later he was made assistant manager of a large eastern company with which he has continued in agency management. Mr. Rooney has been in life insurance 10 years and since 1928 he has been New York City brokerage manager and later assistant manager of another agency.

WOFFORD AGENCY AHEAD

The H. L. Wofford agency of the Prudential in New York City paid for \$6,340,891 for 1937 as against \$5,576,817 in 1936. For December the figure was \$481,269.

Acacia Mutual's Rate Book

The new reference rate book, put into use by agents of the Acacia Mutual Life at the start of this year, has an interesting background. All branch managers, agents, and home office employees were asked to contribute their ideas on rate books. All observations came to the notice of the committee appointed to consider design and content. The committee had been studying those of most other companies, but found no uniformity and little reason for the wide variation in sizes. It was decided to issue a compact, thin pocket "at-a-glance" rate book; and in addition, issue a standard letter-size, 8 1/2 x 11, loose leaf reference rate book, comprehensively indexed and cross-indexed for rapid use, complete with fully explained rules and regulations, with space for values for all years at all ages as well as the customary premium rates.

Metropolitan Life to Hold Contest for Fair Statuary

A competition for a commission valued at \$8,000, open to all sculptors who have completed at least one professional piece of statuary, has been announced by the Metropolitan Life as a means of obtaining an original sculptured group which will form the central unit of that company's exhibit in the Business Administration building at the New York World's Fair 1939.

The jury which will pass upon the models will be headed by A. Conger Goodyear, president Museum of Modern Art, and will include Frederick H. Ecker, chairman of the board, and Dr. Louis I. Dublin, third vice-president of the Metropolitan Life. Closing date is April 1. Models are to be submitted not later than April.

According to Dr. Dublin, who is in charge of the details of the competition, it is the expectation of the company to have the group cast in marble or bronze after the close of the fair and placed in a permanent location.

The story of man and his health, which is one of the feature exhibits planned for the New York World's Fair, will become a permanent exhibit in the new Museum of Health on Ward's Island, New York City, after it has served its purpose at the fair. It will be under the direction of the American Museum of Health, of which Dr. Dublin is an incorporator. Dr. Dublin is also chairman of the advisory committee on medicine and public health of the New York World's Fair 1939.

WOODMEN OF THE WORLD

Five Modern Legal Reserve Contracts

- Ordinary Life
- Twenty Payment Life
- Endowment at Seventy
- Twenty Year Endowment
- Family Income

These contracts are participating, and provide all standard non-forfeiture options.



Operating for almost fifty years in California, Oregon, Washington, Colorado, Idaho, Montana, Nevada, Utah, and Wyoming.

• • •

Write for particulars to

PETER F. GILROY, President
1447 TREMONT PLACE
DENVER, COLORADO

PROTECTED HOME CIRCLE

SHARON, PA.

FOUNDED IN 1886

A Legal Reserve Fraternal Insurance Society

S. H. HADLEY Supreme President L. D. LININGER, Supreme Secretary
SHARON, PA.

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.50 respectively.

Mutual Life Writes Juvenile

Lowers Limit to Age One for Ordinary Life—Provide Premium Protection Contract

The Mutual Life of New York is now writing ordinary life on children from one to nine years of age; in other words, from six months and one day to nine years and six months. Its former age limit was 10 years. The new juvenile policy provides for a level premium during the lifetime of the assured. During earlier years the amount of insurance increases until it reaches the ultimate face amount at age 15. A supplemental premium protection contract may be secured, which becomes due when the child reaches 21. This latter form is not participating and has no cash or other value on lapse for nonpayment of premium. Premiums cease on the death of either the applicant or child.

Premiums on the juvenile life policy may be either annual or semi-annual, the latter having a \$10 minimum. The minimum ultimate face value of juvenile insurance is set at \$1,000, maximum \$2,500. The ultimate face value applied for, plus the ultimate face amount in force in the Mutual Life or other companies, cannot exceed \$2,500.

A digest of the new rates on the policies follows:

Juvenile Life Policy

Prem.	Prem.	Prem.	Prem.
per	per	per	per
Age \$1,000	Age \$1,000	Age \$1,000	Age \$1,000
\$11.35	4.40	\$12.45	7.00
11.73	5.00	12.82	8.00
12.09	6.00	13.22	9.00
			14.50

Face Amount

Policy	Year	Age 1	Age 3	Age 5	Age 7	Age 9	Dividend End Year	Total
1	1	\$40	\$120	\$200	\$280	\$360	20	\$2,99
2	2	80	160	240	320	400	21	3.07
3	3	120	200	280	360	440	22	3.14
4	4	160	240	320	400	480	23	3.22
5	5	200	280	360	440	520	24	3.32
							25	3.40
							26	3.49
							27	3.60
							28	3.71
							29	3.80
							30	3.92
							31	4.05
							32	4.16
							33	4.23
							34	4.42
							35	4.56
							36	4.70
							37	4.82
							38	4.99
							39	5.15
							40	5.32
							41	5.50
							42	5.69
							43	5.86
							44	6.11
							45	6.34
							46	6.59
							47	6.84
							48	7.12
							49	7.41
							50	7.67
							51	8.07
							52	8.44
							53	8.82
							54	9.26
							55	9.75
							56	10.28
							57	10.84
							58	11.43
							59	12.03
							60	12.66

The \$1,000 ultimate face value is reached in the 15th year on policies issued at age 1, 14th year for age 2, 13th age 3, 12th age 4, 11th age 5, 10th age 6, 9th age 7, 8th age 8, and in the 7th year when issued at age 9.

Supplemental Premium Protection

App. Child	Age 1	Age 3	Age 5	Age 7	Age 9						
25.	\$2.52	\$2.32	\$2.12	\$1.90	\$1.69	\$1.49	26.	2.57	2.32	2.12	1.90
30.	2.73	2.49	2.24	1.99	1.74	1.50	31.	3.00	2.73	2.49	2.24
35.	3.19	2.86	2.53	2.21	1.90	1.60	36.	3.26	3.00	2.73	2.49
40.	4.06	3.59	3.12	2.67	2.24	1.80	41.	4.16	3.80	3.44	3.08
45.	5.46	4.80	4.12	3.47	2.85	2.24	46.	5.56	5.19	4.82	4.45
50.	7.58	6.65	5.68	4.73	3.83	3.00	51.	7.77	7.30	6.83	6.36

The contract is not available in Pennsylvania, Massachusetts, Idaho or Wyoming and in Colorado the minimum limit is age one.

CONNECTICUT MUTUAL MAY ACT

The entrance of the Mutual Life of New York in the juvenile field is expected to be followed by similar announcements from the Connecticut Mutual Life.

This is an opportune time to enter the juvenile field as it provides new prospects and new contacts for the agents and will offset depression tendencies. Although the juvenile business does not assume large volume, agents of companies not writing it place available business elsewhere, which has its objections. There is a certain sentiment attached to a person's first insurance policy and some life men feel it is important that companies write juvenile insurance so that an agent can start the policyholder while he is young.

Federal Continues Scale

The Federal Life of Chicago, effective Feb. 1, continues dividends on the same basis as in 1937.

Dividend Changes Are Made

Prudential Modifies for Policies on Current Rate Scale, Retains Level on Older Ones

The Prudential is continuing in 1938 the scale of ordinary annual dividends in use last year for policies issued under the premium rate scale in effect prior to Jan. 1, 1935, but for policies issued at the current rates the initial dividend for policyholders receiving dividends at the end of the second year has been somewhat reduced.

The dividend scale for contracts of longer duration issued at current rates was adjusted to be more equitable, some dividends being increased and others reduced. This was due to the company modifying its reserve basis some time ago.

Adjustments Are Made

Dividend scale for retirement annuities issued at the current premium rates is continued as last year, but the scale for earlier issues was reduced.

Policyholders funds remaining with the company, other than dividend accumulations, and amounts held at the insured's request under disability benefit provisions, bear 3 1/2 percent interest rate if the contract rate is less.

All Prudential policies for some time have included premium waiver which is issued automatically in connection with all standard policies.

Illustrative new dividends for several more popular forms are:

Modified 3

Age	2	5	10	15	20	20 Yrs.
20	\$2.57	\$2.89	\$4.55	\$5.20	\$5.74	\$85.07
21	2.59	2.95	4.65	5.29	5.82	86.53
22	2.64	3.00	4.72	5.37	5.88	87.65
23	2.68	3.04	4.82	5.43	5.95	89.07
24	2.71	3.09	4.91	5.49	6.02	90.38
25	2.76	3.16	4.98	5.55	6.09	91.71
26	2.82	3.23	5.08	5.64	6.18	93.34
27	2.84	3.28	5.16	5.70	6.25	94.54
28	2.90	3.34	5.21	5.76	6.34	95.73
29	2.95	3.41	5.27	5.83	6.43	97.17
30	2.99	3.44	5.31	5.89	6.52	98.25
31	3.06	3.49	5.38	5.98	6.61	99.54
32	3.09	3.53	5.45	6.06	6.72	100.86
33	3.13	3.54	5.50	6.13	6.82	102.05
34	3.16	3.56	5.58	6.23	6.99	103.60
35	3.17	3.56	5.64	6.32	7.14	104.79
36	3.17	3.59	5.71	6.42	7.32	106.38
37	3.18	3.61	5.79	6.52	7.57	108.10
38	3.18	3.62	5.88	6.65	7.92	110.29
39	3.18	3.63	5.96	6.80	8.29	112.44
40	3.18	3.64	6.06	6.97	8.68	115.14

LIFE INSURANCE EDITION

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THE BOURSE PHILADELPHIA

*Presenting a Policy
of Special Consideration...*

For each guest—that is your insurance of a thoroughly enjoyable visit to New York. Overlooking Central Park and convenient to all of New York's attractions, the Savoy-Plaza issues premiums on beautiful rooms, excellent service, tempting cuisine and popular entertainment.

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FIFTH AVENUE, 58th TO 59th STREETS • NEW YORK

PAVE THE WAY—An accident policy sale is the easiest way to get acquainted with your prospect and pave the way for other lines. For suggestions that sell read *The Accident & Health Review*, A-1946 Insurance Exchange, Chicago. Sample 10c.

Total										Total									
Age	2	5	10	15	20	20 Yrs.	Age	2	5	10	15	20	20 Yrs.						
41	3.18	3.65	6.16	7.15	9.08	118.08	57	7.28	9.71	12.09	14.54	17.41	239.34						
42	3.19	3.68	6.28	7.43	9.45	121.64	58	7.68	10.10	12.45	14.90	17.79	246.39						
43	3.19	3.70	6.39	7.78	9.76	125.22	59	8.10	10.47	12.82	15.28	18.20	253.67						
44	3.19	3.73	6.56	8.17	10.05	129.03	60	8.46	10.83	13.20	15.65	18.60	260.80						
45	3.19	3.77	6.75	8.59	10.34	133.26													
46	3.19	3.79	6.95	9.01	10.65	137.59													
47	3.20	3.83	7.21	9.37	10.99	142.11													
48	3.21	3.88	7.57	9.71	11.33	147.07													
49	3.24	3.97	8.00	10.04	11.66	152.49													
50	3.25	4.08	8.44	10.35	11.99	157.98													
51	3.28	4.18	8.86	10.68	12.30	163.60													
52	3.37	4.38	9.28	11.07	12.62	169.92													
53	3.45	4.65	9.65	11.47	12.93	172.23													
54	3.54	4.98	10.01	11.84	13.26	182.91													
55	3.72	5.31	10.36	12.21	13.59	189.55													
56	3.98	5.66	10.76	12.61	13.96	196.77													
57	4.28	6.29	11.19	12.97	14.33	203.87													
58	4.62	6.66	11.66	13.36	14.73	211.40													
59	4.96	6.47	12.10	13.77	15.36	219.27													
60	5.24	6.71	12.55	14.20	16.10	227.55													

Endowment at 85

20	3.05	3.50	4.03	4.61	5.16	78.97	20	5.09	6.58	8.47	10.71	13.49	172.62
21	3.10	3.56	4.11	4.68	5.25	80.28	21	5.13	6.61	8.50	10.73	13.69	173.46
22	3.15	3.64	4.20	4.76	5.35	81.82	22	5.16	6.66	8.55	10.77	13.98	174.78
23	3.19	3.69	4.28	4.83	5.44	83.17	23	5.19	6.70	8.58	10.80	14.26	176.14
24	3.25	3.76	4.47	4.92	5.55	84.74	24	5.23	6.75	8.63	10.85	14.56	178.10
25	3.31	3.84	4.43	5.01	5.66	86.29	25	5.27	6.79	8.68	10.97	14.85	180.15
26	3.36	3.92	4.50	5.10	5.76	87.84	26	5.32	6.85	8.73	11.18	15.10	182.57
27	3.42	4.08	4.59	5.20	5.89	89.63	27	5.36	6.91	8.78	11.48	15.35	185.16
28	3.48	4.08	4.66	5.30	6.00	91.20	28	5.41	6.96	8.83	11.77	15.55	187.93
29	3.55	4.16	4.74	5.40	6.13	92.96	29	5.45	7.03	8.90	12.03	15.76	191.04
30	3.62	4.22	4.83	5.51	6.25	94.74	30	5.52	7.11	9.05	12.40	15.98	194.49
31	3.69	4.28	4.91	5.62	6.37	96.45	31	5.59	7.19	9.30	12.66	16.20	198.11
32	3.74	4.35	5.00	5.73	6.51	98.22	32	5.64	7.26	9.62	12.93	16.42	201.81
33	3.80	4.42	5.10	5.85	6.64	100.13	33	5.70	7.36	9.95	13.15	16.65	205.91
34	3.83	4.49	5.19	5.96	6.77	101.88	34	5.81	7.45	10.30	13.39	16.89	210.35
35	3.90	4.58	5.30	6.10	6.92	104.07	35	5.88	7.64	10.64	13.62	17.13	214.94
36	3.95	4.63	5.40	6.22	7.14	106.11	36	5.95	7.92	10.95	13.86	17.38	219.89
37	4.02	4.74	5.52	6.35	7.46	108.58	37	6.07	8.30	11.27	14.12	17.64	225.18
38	4.07	4.83	5.64	6.49	7.87	111.27	38	6.26	8.68	11.54	14.38	17.91	230.76
39	4.14	4.93	5.75	6.53	8.27	114.27	39	6.54	9.06	11.82	14.64	18.18	236.45
40	4.20	5.02	5.88	6.77	8.69	117.70	40	6.92	9.47	12.12	14.92	18.47	242.54
41	4.28	5.14	6.01	7.02	9.12	121.63	41	7.30	9.83	12.41	15.21	18.76	248.53
42	4.36	5.24	6.15	7.33	9.49	125.57	42	7.70	10.21	12.74	15.50	19.07	254.78
43	4.44	5.35	6.29	7.75	9.86	129.87	43	8.11	10.55	13.07	15.82	19.39	261.16
44	4.52	5.48	6.44	8.17	10.20	134.59	44	8.48	10.91	13.43	16.15	19.73	267.82

Acacia Male and Female Age Limit Cut to 10 Years

Included in the rate and policy changes made by the Acacia Mutual Life was the lowering of the male and female age limit from 16 to 10, inauguration of several new policies and policy options and a new family income agreement. The wage replacement and monthly income policies were discontinued, as was the disability monthly income benefit. Monthly incomes now are provided in all policies through the options. These include the customary beneficiary income privileges, and also a new joint and survivorship life income and surrender value retirement income after the policy has been in force 10 years.

The new "Acadian," a preferred risk whole life, is issued in minimum amount \$5,000 and the new life paid up at 85 as low as \$1,000. The new 20-payment endowment at 85 and life paid up at 65 were designed to provide retirement income.

In addition to the regular rate book of pocket size, a reference rate book, $\frac{1}{2}$ by 11 inches, loose-leaf, indexed, etc., was prepared. This gives general information, underwriting rules, optional settlements, occupational rating tables, texts of riders, special tables, etc., in addition to premium rates for all policy values for all years at all ages at issue, etc. It has been the aim to furnish agents in this larger book such in-

formation that they will not have to inquire of a branch or home office.

Two New Policies Issued By Security Mutual Life

Two new policies have been issued by the Security Mutual Life of Binghamton: The Security paymaster, a whole life paid up at 65, and a family security policy, a modified family income form. The paymaster policy has a special income option providing for a guaranteed life income at any age selected between 60 and 70. By combining the whole life form with retirement income, permanent life insurance is guaranteed at a low net cost with high cash values in relation to premium deposits. The form is issued to preferred male and female risks, ages 20 to 55.

The family security policy provides double income if the assured dies before age 55. The regular family income policy provides for a monthly income of \$10 per \$1,000 face amount until the 20th policy anniversary while the new form provides for an income of \$20 per month for 10 years for each \$1,000 if the insured dies before age 55 and an income of \$10 per month for 10 years if the death occurs between ages 55 and 65. The policy becomes paid up at 65. The minimum limit is \$1,000. It is recommended that the policy be used in business insurance. A digest of rates and dividends on the new forms follows:

Annual Premium per \$1,000

Age	Pay- master	Fam. Secur.	Age	Pay- master	Fam. Secur.
20...	\$18.57	\$42.34	40...	\$35.22	\$68.42
25...	21.07	46.41	45...	44.72	82.46
30...	24.37	51.69	50...	60.23	104.36
35...	28.87	58.72	55...	89.99	...

Dividends

Age	Paymaster	Fam.	Security
2nd	2.74	3.01	\$3.40
5th	2.79	3.13	3.68
10th	2.86	3.29	4.00
20th	2.96	3.50	4.40
30th	2.98	3.50	5.06
40th	3.03	3.79	5.69
50th	3.10	4.22	5.56
55th	3.13	4.30	5.71
60th	3.23	4.33	6.50
65th	3.33	4.33	7.71

New Business Policy, Options for Union Central Life

The Union Central has announced a new business multiple protection policy with the same rates and values as the present multiple protection policy, payment being made in a lump sum rather than on a monthly basis. A new education option with a more liberal schedule of income payments is now available, providing \$25, \$50 or \$100 monthly. The option provides a cash settlement at graduation which can never be less than \$559. The old education option cost \$157.80 per year for ordinary life at age 35. The greatly increased benefits of the new option are available for \$127.94 per year using the business multiple protection 20-year plan or \$130 per year for the same amount on the 15-year plan.

The Union Central now has three rate-books: A master loose leaf book for office use or for carrying in a case; a compact bound edition for pocket use containing condensed information on all plans, and a hip pocket loose leaf binder which enables the agent to make up the information he desires to carry. The new master rate book may be increased to 1,200 pages without overcrowding the binder.

No Equitable, N. Y., Change

The Equitable Society in 1938 continues dividends on the same basis as last year, a separate dividend schedule however applying to policies containing disability income benefits. The total dividend apportionment is greater than for 1937. Rate of interest allowed on instalment settlements for 1938 is 3.4 percent; on certificates of deposit with interest payable other than annually, 3.25 percent and 3.4 percent if paid an-

nually; and on accumulated dividends, 3.25 percent.

Great Northwest Cuts Scale

The Great Northwest Life, Spokane, Wash., has put its 1938 dividend schedule on a basis lower than last year. Interest rate allowed on accumulated dividends is 3.8 percent and under instalment options the guaranteed rate is 3.5 percent.

Unit Pension Plan Issued by Continental Assurance

The Continental Assurance has brought out a unit pension plan combining retirement income life insurance and accident and illness coverage. This was planned for package selling, agents being supplied elaborate kits containing all necessary information, direct-mail material and pamphlets, rate cards, prepared sales talk and a detailed explanation of methods of organizing for the sale of this plan.

It is sold in \$25 monthly income units being tied in with social security and the idea of supplementing the inadequate income from the federal scheme.

The suggested presentation stresses income under the social security act at age 65 is inadequate for support of most people.

The income plan provides monthly income guaranteed for 100 months and for life, plus excess interest; optional retirement ages, which may be selected, with monthly income adjusted correspondingly; guaranteed maturity values; death benefits to beneficiary, in lump sum or settlement options. The plan may be participating or nonparticipating.

The accident and sickness policy is bought for a term concurrent with the life portion and in combination therewith, rates for policyholder's later maturity being slightly more than for earlier maturity. The rates for males and female ages 18-54 for \$25 monthly, classes A to D, are: Running to age 55, \$8.50 for ages 18-39; \$9.50, ages 40-49; to 60, \$8.50, \$9.60 and \$12.63 respectively; 65, \$8.67, \$9.69 and \$12.75. Rates for males are \$12.50, age 50-54. Women will be written only at ages 18-49. These premiums purchase units of \$10 monthly accident and sickness indemnity for classes G, H, and I, and \$5 for J and K.

Monthly sickness indemnity is payable for entire period of total disability 15 days elimination, up to selected retirement age; or during total disability at full rate regardless of house confinement, for two months, not beyond the selected date, with 15 days elimination.

Monthly accident indemnity is payable for disability period to selected age, 15 days elimination. There are dismemberment and loss of sight benefit, grading down from 50 times to 15 times monthly accident indemnity. Full indemnity is payable if injury occurs while policyholder is fare-paying passenger on a regular transport plane.

SALES IDEAS AND SUGGESTIONS

How a \$1,000,000 Producer Charts His Activities

NEW YORK—How a million-dollar producer divides his working time is shown on the accompanying diagram which Isidor Hirschfeld of the Equitable Society's Bender (New York City) agency prepared recently for his own use. The percentages of time given to various activities are not Mr. Hirschfeld's but were estimated at his request by his secretary after a careful check of his method of operation.

Mr. Hirschfeld is one of the most systematic men in the life insurance business. Whether he is mapping a business insurance setup involving numerous complex angles, or directing his own time to produce maximum efficiency, he displays a thoroughness that is difficult even to imagine. The result is that he relies very little on salesmanship in the usual sense. His prospects quickly realize that they are getting advice from a man who has a firm grasp of problems and intricacies of their business and personal affairs that they themselves had either never

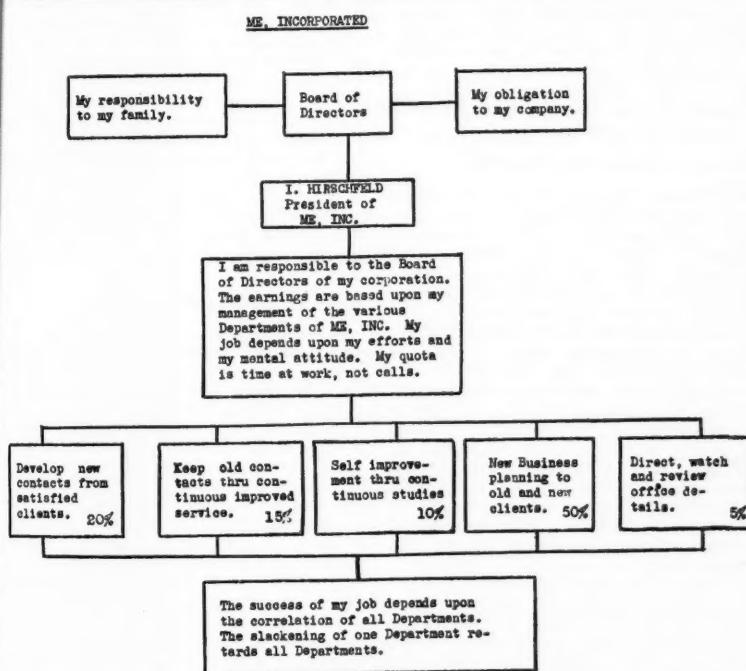
thing less thoroughgoing seems slipshod and superficial. Fortunately for him and his clients he likes to operate as he does. He considers it no hardship.

That the system, as applied by Mr.



ISIDORE HIRSCHFELD

Hirschfeld, pays dividends and eliminates the prospecting problem is amply



thought of or had dodged as being unanswerable.

To many agents this meticulous consideration of every detail and the acquisition of information necessary to work under such a system would seem too much like doing things the hard way. To Mr. Hirschfeld, however, any-

demonstrated by the results. For example, a single service lead about four years ago, involving no sale of insurance, has resulted more than \$1,500,000 from relatives and business associates of the policyholder for whom the service was performed. And far from being exhausted, the lead will produce more busi-

ness in the future than it has already yielded, Mr. Hirschfeld believes.

The quality of business Mr. Hirschfeld does is well shown by the fact that in 1937 he had just one lapse and that is a retirement annuity policy which the policyholder has promised to reinstate within the next month or two.

Cooley Puts Policy Audit on Practical Basis

Policy audits for the average policyholder are placed on a practical basis by H. P. Cooley, Portland, Me., general agent of the New England Mutual Life, in his "C + 1 + 1/2 + 1/4" formula, which he explained at his company's general agents' conference at Hollywood, Fla. The plan provides a cash cleanup fund, one year salary continuance during the readjustment period, with one-half present income continued until youngest child is through school, and one-quarter present income to be continued for the wife after the children are through school. Complicated audits take too much of the agent's time and are not applicable to the average policyholder getting \$3,000 to \$4,000 a year and carrying \$8,000 to \$10,000 insurance, said Mr. Cooley.

Mr. Cooley's simple program is printed on a single sheet of paper. He asks the prospect to determine the cash item, which depends on his circumstances and the kind of insurance that he is carrying. It is an especially good place to use the term or group insurance which does not fit in the regular program.

Logical to Continue Income During First Year

It is logical that a man's income should be continued for one year after his death. Although the period is not very long, it enables the wife to keep the children in the same school and maintain her home until she has ample time to look around for a cheaper place in which to move her family. "They have got to move," said Mr. Cooley, "because when a man dies prematurely he doesn't leave the home—he takes it with him."

Mr. Cooley's formula applies principally to married men between 25 and 45 earning from \$2,000 to \$5,000 a year.

This includes a large cross section of available prospects. The simplicity of the formula makes it easy to understand and the approach discourages the usual "can't afford it" alibi as no direct proposal is made and no premium is quoted, said Mr. Cooley.

Mr. Cooley told of the use of a special pre-approach mailing card. Such a mailing provides a topic for the opening conversation and a track on which the interview can run. On the special card Mr. Cooley writes, "Please do not destroy until I see you" in long hand in the corner. Then he signs his initials. In a very large percentage of the cases the prospect retains the card until the agent calls. The prospect hesitates to throw the card away for fear it will turn

Agent in Laurel, Miss., Sells First '38 Policy

Distinction of writing the first three life insurance applications sold in the United States in 1938 has been claimed by C. L. O'Quinn, district agent for Aetna Life at Laurel, Miss., who arranged to have the applications signed during the echo of the twelfth chime of the clock on New Year's eve. He gathered his three prospects and two company medical examiners in his office before midnight, Dec. 31, in order that they might complete the purchase of the policies at the first possible moment in 1938.

out to be from some one he ought to know.

In the interview the agent shows his prospect "what other men have found extremely useful in arrangement of their insurance without a lot of complicated bookkeeping." He doesn't place the formula folder in the prospect's hands as the prospect would start reading it. In explaining the formula the agent keeps the conversation away from the man's insurance and on general lines until he secures the approval of the idea of seeing how far the man's own insurance schedule will go toward providing the income benefits of the formula. The agent secures the prospect's age, his wife's age, children's ages, his present insurance and the amount of income he would like to use for purpose of the audit. It is easier to get the answer to the last questions than a point blank question on his present income.

After he has this information he shows the formula folder to the prospect and makes an appointment to show it to him after he has it properly filled in. Mr. Cooley advises against attempting to fill out the folder while the prospect waits as he will lose interest.

In using such a formula Mr. Cooley said it shouldn't be taken too literally. In many instances it can be used as an attention getter and because of special circumstances it may be best to depart radically from the fixed setup. Although such a formula may present an ambitious program of insurance, Mr. Cooley feels that the biggest mistake men in life insurance make is to underestimate the ability of a man to buy what he wants.

"Any life insurance agent who is content to ride in the rumble seat while fear does the steering is doomed to failure, and that's a fact with long whiskers,"—P. B. Wallace, Cincinnati manager Bankers Life, Ia.

Experts estimate that agents can increase their paid business 10 percent by eliminating suspects after due consideration.



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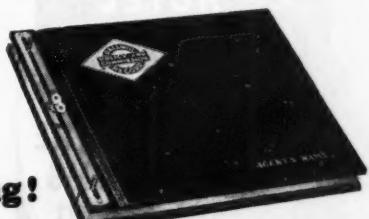
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AGENCY MANAGEMENT

Training Recruits, Veterans' Aid and Finances Viewed

The only way to help the new agent make money is to put him into immediate production and keep him there, declared W. E. Hays, New England Mutual Life general agent at Los Angeles, in a talk before his company's general agents association at Hollywood, Fla. Mr. Hays selects only men who he believes possess ability to do a better than average job, so as to eliminate wasted time, effort and money in training.

He has created a separate new agents training department with special offices which is in charge of a salaried manager whose success depends entirely on his ability to help new agents make money in a hurry and continue to do so. The new agent is given a positive attitude toward the undeniable necessity of life insurance in the scheme of living. The will to win is instilled in him along with the thought that he should not only make a living but be a credit to his company and the institution of life insurance.

Separate Training Room

A separate training room for men of about the same experience creates a unity of purpose impossible to attain if both new and old men are in close proximity, said Mr. Hays. The man in charge of this department should be on a full salary so he is not dependent on personal production for a living, although he should be expected to supplement his salary with some personal commission. Commissions on the first three or four cases produced by the new men should be turned over entirely to them, although on later cases at the manager's option they may be divided so as to prevent the new agent from becoming a leaner.

The training class should be a continuous habit forming process with the ultimate objective of the C. L. U. degree, said Mr. Hays. The new agent should be given a philosophy of life and living which pertains to the service of life insurance. The successful life under-

writer develops an idealism which carries him over the rough spots and the new man should be given the benefit of this immediately, rather than wait for him to develop it through personal experience. After this viewpoint is driven home he should never feel that he does not want to solicit his friends, said Mr. Hays.

Given Working Knowledge

The new man is given a working knowledge of the life insurance contract, with facts about his company's history and organization. Two basic interview patterns are given to the new agent during the first few weeks of his field work. In order to familiarize the agents with the interviews rehearsals are held. In order to develop prospecting, the new agent is asked to list 50 to 100 friends and acquaintances who seem to fit the prospect's picture. At the end of the second day the new agent should be ready for joint work with his manager. Joint work, said Mr. Hays, is the key to early production and should be constantly followed in the agent's first month in the business. Prospecting in the field should be commenced early in Mr. Hays' opinion. Training managers should select centers of influence from the new agent's prospect list and each day in the field, interview one center of influence, including the basic interview taught to agents. At the end of the interview, names of prospects are requested, which form a continuous nucleus for the new agent.

Make Him Independent

One of Mr. Hays' objectives in training a new man is to gradually make him independent of his training manager and every effort is directed toward having him successfully complete his first case.

The new man's most hazardous obstacle is his lack of knowledge of how to proceed which results from his lack of definite work habits, said Mr. Hays. He must overcome this if he is likely to make an early success. Every company has its own time and effort control methods which should be followed religiously by the new agent.

Every new agent worth developing should feel that he is being groomed for something big in the business. If he does not readily develop the ambition to go places, it is hardly worth while to deal with him. The new man must possess enough stamina to overcome disappointment and be able to play over his head to emerge successfully. The will to win is a quality possessed by every top notch life underwriter.

No man is allowed to stay in the new agency training department longer than one year, said Mr. Hays. Through the use of the department he expects to secure proper producers who in turn will attract other recruits.

Helping Older Men

In helping old agents make a living, each must be considered on an individual basis, said R. C. Roberts, Parkersburg, W. Va., general agent.

The individual line of attack must be based on the experience had with each man. There are certain basic urges, the pocketbook urge being the greatest of all. There are other basic appeals, such as a man's pride, his love of his family and the competitive spirit. The general agent's job is to get these appeals under the agent's hide. Mr. Roberts believes

in being frank with the agent and admitting that his success depends on the agent's success.

The problem of financing is perennial, said Mr. Roberts. No matter how much the general agent preaches about how an agent should make enough first year commissions to live on and save his renewals, few agents do it. The easiest thing for a general agent to do in a case of request for money is to lend it to the agent as he is protected by the agent's renewals. In some cases this may be considered a favor to the agent, but in most cases it actually injures him. Such loans are too easy for the agent. He finds it easier to borrow than go out and get the money by earning it.

The answer to the problem of making the agent earn a living is in the general agent himself, said Mr. Roberts. Sales illustrations, sales meetings, pep letters and the rest of the usual methods may aid and should be used but the general agent's close relations with his men is the deep and lasting solution to the problem.

ADMINISTRATION

Operating facts and good judgment are essential in the control of a general agency's finances, said C. F. Collins, assistant superintendent of agencies. In a general agency there are three principal sources of income: 1. Operating net profit (or loss); 2. Vested interest in renewal margins and agents forfeited renewals; 3. Personal commissions.

In an established agency there should be at least some operating profit, unless the expenses are usually high. In determining earned agency profit not only the annual cash income or profit should be considered, but also the value of future renewal equities on both agency renewals and on the personal business of the general agent.

Adequate Information Essential

In keeping his cash book, it is important that the general agent have adequate information. All transactions should be fully recorded without any short cuts. The cash book should show the separations and breakdowns in commissions received and paid out. The general agent will not have a complete picture of his operations unless he has the items segregated. For example, his net operating profit may be small because he has reinvested it wisely in agency development, not because he has wasted his money in unfortunate expenditures. He may have a large income because he is operating efficiently or because he is liquidating the accumulated profits of former years without replacing them or making sufficient provision for his own future.

There is a great difference between the general agent's net income for a given year and his actual profits for the same period. The actual profit is his cash plus the amount by which his equities are increased during the year. If an agency is really progressing as well as growing, the general agent's profit will be greater than net cash income because at that stage the general agent is building up his equities and putting money into the agency for development.

Watch Inventory

"In a mature agency it very often happens that new equities created by a general agent, in a given year, may be less than the previously vested renewals actually received in cash. This means that the inventory is growing smaller, and that actual profit is less than income currently received. Some of the income which the general agent receives during the year can be regarded as currently earned during that year, and some of it must be regarded as receipt of an asset which the general agent created in years gone by. It is important that the general agent find out whether this situation exists," said Mr. Collins.

New Settlement Option slide rule. \$1.50. Order from National Underwriter.

MANAGEMENT WHITHER GO WE?

By A. R. JAQUA
Associate Editor Diamond Life Bulletin

What will be the effect upon the agency system of the enlarging government and private insurance systems?

In one oil company the employees pay on group insurance; they pay on a pension plan; they pay under the social security act; they have a stock purchase plan. Total salary deductions for the average \$3,000 employee amount to 10 percent of his earnings.

That situation is duplicated in many companies. It is common for deductions to run 5 percent and 12 percent is not uncommon.

If a \$50 a week employee is already being forced to put 10 percent in premiums or other investments, how much chance has a life underwriter to sell him a reasonable life insurance program, particularly when the prospect is likely to be paying another 10 percent to 25 percent in installments on the automobile, radio and washing machine? The gentleman feels that he is insured and a feeling however mistaken, is a difficult sales obstacle.

Provides Clean-up Fund

Group insurance provides his clean-up fund. The pension plan and social security provide a retirement fund. The stock purchase plan provides adventure, at least. So everything seems to be cared for except the wife and children.

Of course the growth of group and salary savings insurance, if continued, will tend to provide some insurance for the family. In any event, the point here is not that government and private plans are incomplete; rather, the point is that they are sufficiently complete to be competition to life underwriters.

Are we to have life insurance companies selling only group, salary savings and pension plans, only to industry, using only salaried home office representatives?

What Is the Result?

If most of the insurance needs of persons making \$3,000 or less are to be cared for in mass—are we to have only a few thousand life agents of superior capacity selling to those making more than \$3,000? Less than 10 percent of earners make \$3,000 annually.

Of course nothing like this will happen quickly, if at all. It is a fact that as the market for the individual salesmen is cut in one place he expands elsewhere; he loses some \$1,000 policies to group insurance and sells \$2,500 policies to wives and children and to those whom group does not reach, farmers, for example. Most important, the public is constantly raising its sights as to the amount of insurance it is advisable to own, and under any conceivable change, saturation is perhaps generations away.

They tell us that some day the sun will grow cold. But you and I needn't worry about it. We need only to think how to put to best advantage the heat and light we now have.

Metzger Is Baltimore Speaker

BALTIMORE—Baltimore C. L. U.'s have been invited to attend a meeting of the General Agents & Managers Round Table of Baltimore, on Jan. 20. Clarence B. Metzger, Buffalo general agent for the Equitable Society, will talk.

Ottawa Managers Elect

At the annual meeting of the Ottawa, Can., Life Managers Bureau the following officers were elected: President, Stanley Todd, Excelsior Life; vice-president, B. Ogilvie, Prudential; secretary-treasurer, A. deL. Panet, Great West; executive committee, W. R. Gunn, Dominion Life; J. Bruck, Standard Life, and G. Brewer, Travelers.

